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On The Humanity of Women

Henry Fairlie

MAX SINGER HENRY G. MANNE EDWARD BANFIELD
EVERETT C. LADD / CHARLES HADLEY / LAURISTON KING
ANTHONY DOWNS / R. JOSEPH MONSEN NATHAN GLAZER
ROGER STARR EDWIN HARWOOD / CLAIRE HODGE

on

The Vitality of Mythical Numbers / A Parable of Parking Lots / Revenue Sharing in Theory and Practice / A New Political Alignment? / Public Goods and Private Status / Are We Enforcing Civil Rights? / The Poor in Public Housing / Jobs and the Negro Family

The Health Care Muddle

Martin S. Feldstein Joseph Newhouse
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The vitality of mythical numbers

MAX SINGER

It is generally assumed that heroin addicts in New York City steal some two to five billion dollars worth of property a year, and commit approximately half of all the property crimes. Such estimates of addict crime are used by an organization like RAND, by a political figure like Howard Samuels, and even by the Attorney General of the United States.[1] The estimate that half the property crimes are committed by addicts was originally attributed to a police official and has been used so often that it is now part of the common wisdom.

The amount of property stolen by addicts is usually estimated in something like the following manner:

There are 100,000 addicts with an average habit of $30.00 per day. This means addicts must have some $1.1 billion a year to pay for their heroin (100,000 x 365 x $30.00). Because the addict must sell the property he steals to a fence for only about a quarter of its value, or less, addicts must steal some $4 to $5 billion a year to pay for their heroin.

These calculations can be made with more or less sophistication.

[1] New York RAND Issue Paper on Drug Addiction Control in New York, 1968; Howard Samuels, Position Paper on Narcotics, 1970; Speech by Attorney General Mitchell, October 6, 1969.

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One can allow for the fact that the kind of addicts who make their living illegally typically spend upwards of a quarter of their time in jail, which would reduce the amount of crime by a quarter. (*The New York Times* recently reported on the death of William "Donkey" Reilly. A 74 year old ex-addict who had been addicted for 54 years, he had spent 30 of those years in prison.) Some of what the addict steals is cash, none of which has to go to a fence. A large part of the cost of heroin is paid for by dealing in the heroin business, rather than stealing from society, and another large part by prostitution, including male addicts living off prostitutes. But no matter how carefully you slice it, if one tries to estimate the value of property stolen by addicts by assuming that there are 100,000 addicts and estimating what is the minimum amount they would have to steal to support themselves and their habits (after making generous estimates for legal income), one comes up with a number in the neighborhood of $1 billion a year for New York City.

But what happens if you approach the question from the other side? Suppose we ask, "How much property is stolen—by addicts or anyone else?" Addict theft must be less than total theft. What is the value of property stolen in New York City in any year? Somewhat surprisingly to me when I first asked, this turned out to be a difficult question to answer, even approximately. No one had any estimates that they had even the faintest confidence in, and the question doesn't seem to have been much asked. The amount of officially reported theft in New York City is approximately $300 million a year, of which about $100 million is the value of automobile theft (a crime that is rarely committed by addicts). But it is clear that there is a very large volume of crime that is not reported; for example, shoplifting is not normally reported to the police. (Much property loss to thieves is not reported to insurance companies either, and the insurance industry had no good estimate for total theft.)

It turns out, however, that if one is only asking a question like, "Is it possible that addicts stole $1 billion worth of property in New York City last year?" it is relatively simple to estimate the amount of property stolen. It is clear that the two biggest components of addict theft are shoplifting and burglary. What *could* the value of property shoplifted by addicts be? All retail sales in New York City are on the order of $15 billion a year. This includes automobiles, carpets, diamond rings, and other items not usually available to shoplifters. A reasonable number for inventory loss to retail establishments is 2 per cent. This number includes management em-

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bezzlements, stealing by clerks, shipping departments, truckers, etc. (Department stores, particularly, have reported a large increase in shoplifting in recent years, but they are among the most vulnerable of retail establishments and not important enough to bring the overall rate much above 2 per cent.) It is generally agreed that substantially more than half of the property missing from retail establishments is taken by employees, the remainder being lost to outside shoplifters. But let us credit shoplifters with stealing one per cent of all the property sold at retail in New York City—this would be about $150 million a year.

What about burglary? There are something like two and one-half million households in New York City. Suppose that on the average one out of five of them is robbed or burglarized every year. This takes into account that in some areas burglary is even more commonplace, and that some households are burglarized more than once a year. This would mean 500,000 burglaries a year. The average value of property taken in a burglary might be on the order of $200. In some burglaries, of course, much larger amounts of property are taken, but these higher value burglaries are much rarer, and often are committed by non-addict professional thieves. If we use the number of $200 x 500,000 burglaries, we get $100 million of property stolen from people's homes in a year in New York City.

Obviously, none of these estimated values is either sacred or substantiated. You can make your own estimate. The estimates here have the character that it would be very surprising if they were wrong by a factor of 10, and not very important for the conclusion if they were wrong by a factor of two. (This is a good position for an estimator to be in.)

Obviously not all addict theft is property taken from stores or from people's home. One of the most feared types of addict crime is property taken from the persons of New Yorkers in muggings, and other forms of robbery. We can estimate this, too. Suppose that on the average, one person in 10 has property taken from his person by muggers or robbers each year. That would be 800,000 such robberies, and if the average one produced $100 (which it is very unlikely to do), $8 million a year would be taken in this form of theft.

So we can see that if we credit addicts with *all* of the shoplifting, *all* of the theft from homes, and *all* of the theft from persons, total property stolen by addicts in a year in New York City amounts to some $330 million. You can throw in all the "fudge factors" you want, add all the other miscellaneous crimes that addicts commit, but no matter what you do, it is difficult to find a basis for estimating that

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addicts steal over a half billion dollars a year, and a quarter billion looks like a better estimate, although perhaps on the high side. After all, there must be some thieves who are not addicts.

Thus, I believe we have shown that whereas it is widely assumed that addicts steal from $2-$5 billion a year in New York City, the actual number is *ten* times smaller, and that this can be demonstrated by five minutes of thought.[2] So what? A quarter billion dollars' worth of property is still a lot of property. It exceeds the amount of money spent annually on addict rehabilitation and other programs to prevent and control addiction. Furthermore, the value of the property stolen by addicts is a small part of the total cost to society of addict theft. A much larger cost is paid in fear, changed neighborhood atmosphere, the cost of precautions, and other echoing and re-echoing reactions to theft and its danger.

One point in this exercise in estimating the value of property stolen by addicts is to shed some light on people's attitudes toward numbers. People feel that there is a lot of addict crime, and that $2 billion is a large number, so they are inclined to believe that there is $2 billion worth of addict theft. But $250 million is a large number, too, and if our sense of perspective were not distorted by daily consciousness of federal expenditures, most people would be quite content to accept $250 million a year as a lot of theft.

Along the same lines, this exercise is another reminder that even responsible officials, responsible newspapers, and responsible research groups pick up and pass on as gospel numbers that have no real basis in fact. We are reminded by this experience that because an estimate has been used widely by a variety of people who should know what they are talking about, one cannot assume that the estimate is even approximately correct.

But there is a much more important implication of the fact that there cannot be nearly so much addict theft as people believe. This implication is that there probably cannot be as many addicts as many

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[2] Mythical numbers may be more mythical and have more vitality in the area of crime than in most areas. In the early 1950's the Kefauver Committee published a $20 billion estimate for the annual "take" of gambling in the United States. The figure actually was "picked from a hat." One staff member said: "We had no real idea of the money spent. The California Crime Commission said $12 billion. Virgil Petersen of Chicago said $30 billion. We picked $20 billion as the balance of the two."

An unusual example of a mythical number that had a vigorous life—the assertion that 28 Black Panthers had been murdered by police—is given a careful biography by Edward Jay Epstein in the February 13, 1971, *New Yorker*. (It turned out that there were 19 Panthers killed, ten of them by the police, and eight of these in situations where it seems likely that the Panthers took the initiative.)

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people believe. Most of the money paid for heroin bought at retail comes from stealing, and most addicts buy at retail. Therefore, the number of addicts is basically—although imprecisely—limited by the amount of theft. (The estimate developed in a Hudson Institute study was that close to half of the volume of heroin consumed is used by people in the heroin distribution system who do not buy at retail, and do not pay with stolen property but with their "services" in the distribution system.[3]) But while the people in the business (at lower levels) consume close to half the heroin, they are only some one-sixth or one-seventh of the total number of addicts. They are the ones who can afford big habits.

The most popular, informal estimate of addicts in New York City is 100,000-plus (usually with an emphasis on the "plus"). The federal register in Washington lists some 30,000 addicts in New York City, and the New York City Department of Health's register of addicts' names lists some 70,000. While all the people on those lists are not still active addicts—many of them are dead or in prison—most people believe that there are many addicts who are not on any list. It is common to regard the estimate of 100,000 addicts in New York City as a very conservative one. Dr. Judianne Densen-Gerber was widely quoted early in 1970 for her estimate that there would be over 100,000 teenage addicts by the end of the summer. And there are obviously many addicts of 20 years of age and more.[4]

In discussing the number of addicts in this article, we will be talking about the kind of person one thinks of when the term "addict" is used.[5] A better term might be "street addict." This is a person who

[3] A parallel datum was developed in a later study by St. Luke's Hospital of 81 addicts—average age 34. More than one-half of the heroin consumed by these addicts, over a year, had been paid for by the sale of heroin. Incidentally, these 81 addicts had stolen an average of $9,000 worth of property in the previous year.

[4] Among other recent estimators we may note a Marxist, Sol Yurick, who gives us "500,000 junkies" (*Monthly Review*, December 1970), and William R. Corson, who contends, in the December 1970 *Penthouse*, that "today at least 2,500,000 black Americans are hooked on heroin."

[5] There is an interesting anomaly about the word "addict." Most people, if pressed for a definition of an "addict," would say he is a person who regularly takes heroin (or some such drug) and who, if he fails to get his regular dose of heroin, will have unpleasant or painful withdrawal symptoms. But this definition would not apply to a large part of what is generally recognized as the "addict population." In fact, it would not apply to most certified addicts. An addict who has been detoxified or who has been imprisoned and kept away from drugs for a week or so would not fit the normal definition of "addict." He no longer has any physical symptoms resulting from not taking heroin. "Donkey" Reilly would certainly fulfill most people's ideas of an addict, but for 30 of the 54 years he was an "addict" he was in prison, and he was certainly not actively addicted to heroin during most of the time he spent in prison, which was more than half of his "addict" career (although a certain amount of drugs are available in prison).

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normally uses heroin every day. He is the kind of person who looks and acts like the normal picture of an addict. We exclude here the people in the medical profession who are frequent users of heroin or other opiates, or are addicted to them, students who use heroin occasionally, wealthy people who are addicted but do not need to steal and do not frequent the normal addict hangouts, etc. When we are addressing the "addict problem," it is much less important that we include these cases; while they are undoubtedly problems in varying degrees, they are a very different type of problem than that posed by the typical street addict.

The amount of property stolen by addicts suggests that the number of New York City street addicts may be more like 70,000 than 100,000, and almost certainly cannot be anything like the 200,000 number that is sometimes used. Several other simple ways of estimating the number of street addicts lead to a similar conclusion.

Experience with the addict population has led observers to estimate that the average street addict spends a quarter to a third of his time in prison. (Some students of the subject, such as Edward Preble and John J. Casey, Jr., believe the average to be over 40 per cent.) This would imply that at any one time, one-quarter to one-third of the addict population is in prison, and that the total addict population can be estimated by multiplying the number of addicts who are in prison by three or four. Of course the number of addicts who are in prison is not a known quantity (and, in fact, as we have indicated above, not even a very precise concept). However, one can make reasonable estimates of the number of addicts in prison (and for this purpose we can include the addicts in various involuntary treatment centers). This number is approximately 14,000-17,000 which is quite compatible with an estimate of 70,000 total New York City street addicts.

Another way of estimating the total number of street addicts in New York City is to use the demographic information that is available about the addict population. For example, we can be reasonably certain that some 25 per cent of the street addict population in New York City is Puerto Rican, and some 50 per cent are Negroes. We know that approximately five out of six street addicts are male, and that 50 per cent of the street addicts are between the ages of 16 and 25. This would mean that 20 per cent of the total number of addicts are male Negroes between the age of 16 and 25. If there were 70,000 addicts, this would mean that 14,000 Negro boys between the ages of 16 and 25 are addicts. But altogether there are only about 140,000 Negro boys between the ages of 16 and 25 in the city—

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perhaps half of them living in poverty areas. This means that if there are 70,000 addicts in the city, one in 10 Negro youths are addicts, and if there are 100,000 addicts, nearly one in six are, and if there are 200,000 addicts, one in three. You can decide for yourself which of these degrees of penetration of the young Negro male group is most believable, but it is rather clear that the number of 200,000 addicts is implausible. Similarly, the total of 70,000 street addicts would imply 7,000 young Puerto Rican males are addicted, and the total number of Puerto Rican boys between the ages of 16 and 25 in New York City is about 70,000.

None of the above calculations are meant in any way to downplay the importance of the problem of heroin addiction. Heroin is a terrible curse. When you think of the individual tragedy involved, 70,000 is an awfully large number of addicts. And if you have to work for a living, $250 million is an awful lot of money to have stolen from the citizens of the city to be transferred through the hands of addicts and fences into the pockets of those who import and distribute heroin, and those who take bribes or perform other services for the heroin industry.

The main point of this article may well be to illustrate how far one can go in bounding a problem by taking numbers seriously, seeing what they imply, checking various implications against each other and against general knowledge (such as the number of persons or households in the city). Small efforts in this direction can go a long way to help ordinary people and responsible officials to cope with experts of various kinds.

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The parable of the parking lots

HENRY G. MANNE

IN a city not far away there was a large football stadium. It was used from time to time for various events, but the principal use was for football games played Saturday afternoons by the local college team. The games were tremendously popular and people drove hundreds of miles to watch them. Parking was done in the usual way. People who arrived early were able to park free on the streets, and latecomers had to pay to park in regular and improvised lots.

There were, at distances ranging from 5 to 12 blocks from the stadium, approximately 25 commercial parking lots all of which received some business from Saturday afternoon football games. The lots closer to the stadium naturally received more football business than those further away, and some of the very close lots actually raised their price on Saturday afternoons. But they did not raise the price much, and most did not change prices at all. The reason was not hard to find.

For something else happened on football afternoons. A lot of people who during the week were students, lawyers, school teachers, plumbers, factory workers, and even stock brokers went into the parking lot business. It was not a difficult thing to do. Typically a young boy would put up a crude, homemade sign saying "Parking

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$3." He would direct a couple of cars into his parents' driveway, tell the driver to take the key, and collect the three dollars. If the driveway was larger or there was yard space to park in, an older brother, an uncle, or the head of the household would direct the operation, sometimes asking drivers to leave their keys so that shifts could be made if necessary.

Some part-time parking lot operators who lived very close to the stadium charged as much as $5.00 to park in their driveways. But as the residences-turned-parking-lots were located further from the stadium (and incidentally closer to the commercial parking lots), the price charged at game time declined. In fact houses at some distance from the stadium charged less than the adjacent commercial lots. The whole system seemed to work fairly smoothly, and though traffic just after a big game was terrible, there were no significant delays parking cars or retrieving parked cars.

But one day the owner of a chain of parking lots called a meeting of all the commercial parking lot owners in the general vicinity of the stadium. They formed an organization known as the Association of Professional Parking Lot Employers, or APPLE. And they were very concerned about the Saturday parking business. One man who owned four parking lots pointed out that honest parking lot owners had heavy capital investments in their businesses, that they paid taxes, and that they employed individuals who supported families. There was no reason, he alleged, why these lots should not handle all the cars coming into the area for special events like football games. "It is unethical," he said, "to engage in cutthroat competition with irresponsible fender benders. After all, parking cars is a profession, not a business." This last remark drew loud applause.

Thus emboldened he continued, stating that commercial parking lot owners recognize their responsibility to serve the public's needs. Ethical car parkers, he said, understand their obligations not to dent fenders, to employ only trustworthy car parkers, to pay decent wages, and generally to care for their customers' automobiles as they would the corpus of a trust. His statement was hailed by others attending the meeting as being very statesmanlike.

Others at the meeting related various tales of horror about nonprofessional car parkers. One homeowner, it was said, actually allowed his fifteen-year-old son to move other peoples' cars around. Another said that he had seen an $8,000 Cadillac parked on a dirt lawn where it would have become mired in mud had it rained that day. Still another pointed out that a great deal of the problem came

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on the side of the stadium with the lower-priced houses, where there were more driveways per block than on the wealthier side of the stadium. He pointed out that these poor people would rarely be able to afford to pay for damage to other peoples' automobiles or to pay insurance premiums to cover such losses. He felt that a professional group such as APPLE had a duty to protect the public from their folly in using those parking spaces.

Finally another speaker reminded the audience that these "marginal, fly-by-night" parking lot operators generally parked a string of cars in their driveways so that a driver had to wait until all cars behind his had been removed before he could get his out. This, he pointed out, was quite unlike the situation in commercial lots where, during a normal business day, people had to be assured of ready access to their automobiles at any time. The commercial parking lots either had to hire more attendants to shift cars around, or they had to park them so that any car was always accessible, even though this meant that fewer cars could park than the total space would actually hold. "Clearly," he said, "driveway parking constitutes unfair competition."

Emotions ran high at this meeting, and every member of APPLE pledged $1 per parking space for something mysteriously called a "slush fund." It was never made clear exactly whose slush would be bought with these funds, but several months later a resolution was adopted by the city council requiring licensing for anyone in the parking lot business.

THE preamble to the new ordinance read like the speeches at the earlier meeting. It said that this measure was designed to protect the public against unscrupulous, unprofessional and under-capitalized parking lot operators. It required, *inter alia,* that anyone parking cars for a fee must have a minimum capital devoted to the parking lot business of $25,000, liability insurance in an amount not less than $500,000, bonding for each car parker, and a special driving test for these parkers (which incidentally would be designed and administered by APPLE). The ordinance also required, again in the public's interest, that every lot charge a single posted price for parking and that any change in the posted price be approved in advance by the city council. Incidentally, most members were able to raise their fees by about 20 per cent before the first posting.

Then a funny thing happened to drivers on their way to the stadium for the next big game. They discovered city police in unusually large numbers informing them that it was illegal to pay a non-li-

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censed parking lot operator for the right to park a car. These policemen also reminded parents that if their children were found in violation of this ordinance it could result in a misdemeanor charge being brought against the parents and possible juvenile court proceedings for the children. There were no driveway parking lots that day.

Back at the commercial parking lots, another funny thing occurred. Proceeding from the entrance of each of these parking lots within twelve blocks of the stadium were long lines of cars waiting to park. The line got larger as the lot was closer to the stadium. Many drivers had to wait so long or walk so far that they missed the entire first quarter of the big game.

At the end of the game it was even worse. The confusion was massive. The lot attendants could not cope with the jam up, and some cars were actually not retrieved until the next day. It was even rumored about town that some automobiles had been lost forever and that considerable liabilities might result for some operators. Industry spokesmen denied this, however.

Naturally there was a lot of grumbling, but there was no agreement on what had caused the difficulty. At first everyone said there were merely some "bugs" in the new system that would have to be ironed out. But the only "bug" ironed out was a Volkswagen which was flattened by a careless lot attendant in a Cadillac Eldorado.

The situation did not improve at subsequent games. The members of APPLE did not hire additional employees to park cars, and operators near the stadium were not careful to follow their previous practice of parking cars in such a way as to have them immediately accessible. Employees seemed to become more surly, and the number of dented-fender claims mounted rapidly.

Little by little, too, cars began appearing in residential driveways again. For instance, one enterprising youth regularly went into the car wash business on football afternoons, promising that his wash job would take at least two hours. He charged five dollars, and got it —even on rainy days—in fact, especially on rainy days. Another homeowner offered to take cars on consignment for three hours to sell them at prices fixed by the owner. He charged $4.00 for this "service," but his subterfuge was quickly squelched by the authorities. The parking situation remained "critical."

POLITICAL pressures on the city council began to mount to "do something" about the inordinate delays in parking and retrieving cars on football afternoons. The city council sent a stern note of warning to APPLE, and APPLE appointed a special study group re-

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cruited from the local university's computer science department to look into the matter. This group reported that the managerial and administrative machinery in the parking lot business was archaic. What was needed, the study group said, was less goose quills and stand-up desks and more computers and conveyor belts. It was also suggested that all members of APPLE be hooked into one computer so that cars could really be shifted to the most accessible spaces.

Spokesmen for the industry took up the cry of administrative modernization. Subtle warnings appeared in the local papers suggesting that if the industry did not get its own house in order, heavy-handed regulation could be anticipated. The city council asked for reports on failures to deliver cars and decreed that this would include any failure to put a driver in his car within five minutes of demand without a new dent.

Some of the professional operators actually installed computer equipment to handle their ticketing and parking logistics problems. And some added second stories to their parking lots. Others bought up additional space, thereby raising the value of vacant lots in the area. But many simply added a few additional car parkers and hoped that the problem would go away without a substantial investment of capital.

The commercial operators also began arguing that they needed higher parking fees because of their higher operating costs. Everyone agreed that costs for operating a parking lot were certainly higher than before the licensing ordinance. So the city council granted a request for an across-the-board ten per cent hike in fees. The local newspaper editorially hoped that this would ease the problem without still higher fees being necessary. In a way, it did. A lot of people stopped driving. They began using city buses, or they chartered private buses for the game. Some stayed home and watched the game on TV. A new study group on fees was appointed.

Just about then several other blows fell on the parking lot business. Bus transportation to the area near the stadium was improved with a federal subsidy to the municipal bus company. And several new suburban shopping centers caused a loss of automobile traffic in the older areas of town. But most dramatic of all, the local university, under severe pressure from its students and faculty, dropped intercollegiate football altogether and converted the stadium into a park for underprivileged children.

The impact of these events on the commercial parking lots was swift. Income declined drastically. The companies that had borrowed money to finance the expansion everyone wanted earlier were

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hardest hit. Two declared bankruptcy, and many had to be absorbed by financially stronger companies. Layoffs among car parkers were enormous, and APPLE actually petitioned the city council to guarantee the premiums on their liability insurance policies so that people would not be afraid to park commercially. This idea was suggested to APPLE by recent Congressional legislation creating an insurance program for stock brokers.

A SPOKESMAN for APPLE made the following public statement: "New organizations or arrangements may be necessary to straighten out this problem. There has been a failure in both the structure of the industry and the regulatory scheme. New and better regulation is clearly demanded. A sound parking lot business is necessary for a healthy urban economy." The statement was hailed by the industry as being very statesmanlike, though everyone speculated about what he really meant.

Others in the industry demanded that the city bus service be curtailed during the emergency. The city council granted every rate increase the lots requested. There were no requests for rate decreases, but the weaker lots began offering prizes and other subtle or covert rebates to private bus companies who would park with them. In fact, this problem became so serious and uncontrollable that one owner of a large chain proclaimed that old-fashioned price competition for this business would be desirable. This again was hailed as statesmanlike, but everyone assumed that he really meant something else. No one proposed repeal of the licensing ordinance.

One other thing happened. Under pressure from APPLE, the city council decreed that henceforth no parking would be allowed on any streets in the downtown area of town. The local merchants were extremely unhappy with this, however, and the council rescinded the ordinance at the next meeting, citing a computer error as the basis for the earlier restriction.

The ultimate resolution of the "new" parking problem is not in sight. The parking lot industry in this town not very far from here is now said to be a depressed business, even a sick one. Everyone looks to the city council for a solution, but things will probably limp along as they are for quite a while, picking up with an occasional professional football game and dropping low with bad weather.

* * *

MORAL: If you risk your lot under an apple tree, you may get hit in the head.

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On the humanity of women

HENRY FAIRLIE

"We are only just now beginning to look upon the relation of one individual person to a second individual person without prejudice and realistically, and our attempts to live such associations have no example before them. And yet in the changing course of time there is already a good deal that wants to help our timorous novitiate.

Girls and women in their new, their own unfolding will but in passing be imitators of masculine vices and virtues and repeaters of masculine professions. After the uncertainty of such transitions it will become apparent that women only went through the whole range and variety of those (often ridiculous) disguises in order to clean their own most characteristic nature of the distorting influences of the other sex. Women, in whom life lingers and dwells more immediately, more fruitfully and more confidently, must naturally have become fundamentally riper people, more human people, than man who is easy-going, by the weight of no fruit of his body pulled down below the surface of life, and who, presumptuous and hasty, undervalues what he thinks he loves. This humanity of woman, carried out in suffering and humiliation, will then, when in the commutations of her external situation she will have stripped off the conventions of being only feminine, come to light, and those men, who do not yet feel it approaching today, will be astonished and stunned by it. Some day (and of this, particularly in the northern countries, reliable signs already clearly speak), some day there will be girls and women whose name will no longer signify merely an opposite of the masculine, but something in itself, something that makes one think, not of any complement and limit, but of life and existence: the female human being."

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THIS prophetic passage occurs in a letter written to Francis Xavier Kappus on 14 May, 1904, by Rainer Maria Rilke. It could not be included in the literature of Women's Liberation. The first sentence sets the issue in its proper context: the change in "the relation of one individual person to a second individual" which has been the most significant revolution of the past hundred years, and is not yet finished. Of this revolution, the emancipation of women is a part, and it is only as a part of it that the movement can hope to find and keep its bearings. But in the literature of the various sects of Women's Liberation, I have found no more than a few scattered hints of this broad and humanizing perspective.

As for the celebration of the "humanity of woman" in the second paragraph—the weight of the fruit of *her* body "pulled down below the surface of life," speaking distinctly as "the female human being" of "life and existence"—it would fit uncomfortably into such an anthology of Women's Liberation writing as *Sisterhood is Powerful.* In his carefully distinguishing words, Rilke reinforces, at the deepest level, if not a feminine mystique, certainly a female mystique, a distinction which is made and emphasized by Kate Millett in *Sexual Politics.* It is impossible to reconcile Rilke's declaration that in women "life lingers and dwells more immediately, more fruitfully and more confidently"—by virtue, not of what women do, but of what they are; not by their choice, but by their nature—and the persistent claim of the movement that women have an unqualified right to an absolute "control over their own bodies": a right which not even men possess.

To come across Rilke's words, in the small volume of *Letters to a Young Poet* while I was immersing myself in some of the literature of Women's Liberation, was illuminating. They underlined the lack which I was already feeling: the absence in the literature of any attempt to explore and define the nature of our humanity—of our humanness—and the consequent failure to establish women as human, the very object of the movement. There is not one sentence that I can recall in the literature of Women's Liberation which either describes or asserts the "humanity of women." Indeed, woman is described in the very terms which the literature claims to reject, as *what is not male;* and woman's claim to independence is asserted in terms of rejecting man's claim to dominance. Someone once observed that the importance of the early novels of James Baldwin was not only that they enabled a white man to get inside the skin of a black man—that is obvious enough—but that they enabled a white man to get inside the skin of *this particular black man,* this single human individual as a single human being. There is anger and

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pain in the literature of Women's Liberation—to that I will come—but, even where the anger is most defiant and the pain most excruciating, I have not found the voice of the female human being as it was possible to find the voice of the black being in *Go Tell It On The Mountain* or *Notes of a Native Son*. I have found only the voice of the slave answering the slave-owner—the self-defeating attitude which Baldwin then so brilliantly transcended—of the oppressed answering the oppressor.

But human rights are never effectively asserted until the slave-owner and the oppressor, the slavery and the oppression, cease to be the primary preoccupation: until they cease to determine the character and direction of the protest which the slave and the oppressed make. *It is re-definitions of our humanity, not definitions of class, which make revolutions.* To such a re-definition, which our age urgently requires, the literature of Women's Liberation has so far made no contribution.

Frivolity and violence

I remember Sam Rosenberg once addressing a group of students, telling them that he was all in favor of Women's Liberation and would even supply them with a slogan: "Down with bullshit! Up with cowshit!" It was not until I read the literature of the movement that I realized how appropriate the slogan was. Robin Morgan, in her introduction to *Sisterhood Is Powerful*, refers to "the shitwork that women have been doing for generations," and writes in a poem:

> yesterday, in some bullshit seminar
> on Women for Peace in Southeast Asia
> which some of us had turned into a rap on women and revolution . . .

This kind of language is too common in the literature to be ignored. Thus, in the Winter 1970 number of *Women*, in an article on "Weatherman Politics and the Women's Movement," we are told: "Vietnam has won the war against the U.S.; but the U.S. is still there, fucking them over." One turns the pages to an article on "Karate as Self-Defense for Women," and reads: "She had hopes that if she and her children took Karate together it might relieve some of the emotional bullshit that goes on." If one wished to bore, one could continue to quote. It is not the fact that these words and phrases are obscenities, which is interesting. They are *slogans*, and their interest is that they express simultaneously the lack of seriousness of much of today's protest, on the one hand, and the willingness to re-

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sort to violence, on the other. The two may seem contradictory; in fact they are reciprocal. Consider these reports from *Women:*

> Throughout the march and rally, cries of "Right On!" echoed in reply to exhortations to "Free Our Sisters, Free Ourselves, Power to the People!"; "Fuck Harvard, Fuck Yale, Get Those Panthers Out of Jail!"; "Out of the House, Out of the Ghetto, Out from Under, Women Unite!" and, in short to make a revolution in America NOW!
>
> Seattle. Twelve women sacked an ROTC building. They beat up two cadets, poured red paint on the furniture and files and escaped. The FBI has been called in to locate the sisters.
>
> Ithaca. During a registration at Cornell, two women offed the ROTC desk and ripped up all the literature. During the first week of classes, one woman threw a full can of paint over the Marine recruiter, and was caught and held on $2500 bail.

Finally, these two passages from the article on Karate:

> . . . it is very difficult to figure out whether we are being treated in a certain manner because we are beginners (and weak) or because we are women. The men have tried to avoid all physical contact with us. It's a mindblower! When we need a partner for sit-ups (which means entangling our legs with theirs), they immediately try to find someone other than one of us, using the excuse (when questioned directly) that we're too light-weight or too weak. When Sensei makes the rounds to test our "stance," by touching the "butt" and thigh muscles, he just doesn't touch ours. After three months, he finally did touch a 15-year-old's "butt," but he still avoids us older women like the plague. It seems clear that Sensei cannot see us as other than females who can be touched for one purpose and one purpose only.
>
> Women's Liberation has a long tough political fight before it, and our oppression, which is ultimately maintained by force, can only be overcome by force. Women will be needed as fighters.
>
> Finally, Simone de Beauvoir says that "Violence is the authentic proof of each one's loyalty to himself, to his passions, to his own will: radically to deny this is to deny oneself any objective truth, it is to wall oneself up in an abstract subjectivity; anger or revolt that does not get into the muscles remains a figment of the imagination. It is a profound frustration not to be able to register one's feelings upon the fact of the world." This we agree with completely. But she continues, "It remains true that her physical weakness does not permit woman to learn the lessons of violence." This we categorically reject. We, once as physically weak as any average female, *are* learning the lessons of violence and learning them well.

Mindless slogans, beating up cadets, pouring red paint on furniture and recruiters, anxiety because one is not touched by a Karate teacher on the 'butt:' and all of this frivolity leading to an assertion that women can only overcome their oppressors by force, and to the

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quotation of a passage from Simone de Beauvoir which confers on violence an atrocious value and creates out of it a terrible mystique. Roxanne Dunbar, in an article on "Female Liberation as the Basis for Social Revolution," lists "the necessary skills" for accomplishing the female revolution, and puts first "self-defense and physical strength." But it is not at all clear how, and against whom, these are to be used, whether individually or collectively.

"Women are attacked, beaten, and raped every day. By men! Women are afraid to walk certain streets after dark, and even afraid to walk into buildings where they live. It's about time that we as women get stronger in order to defend ourselves," write the eager Karate learners. Well, yes, although it is not a peculiarly female problem, as I am personally aware, having been held at gun point for half an hour in my home in Washington. One also reads in some of the literature of the unhappiest of all the reasons why an individual woman may feel the need for "self-defense and physical strength," as in Beverley Jones' account, in "The Dynamics of Marriage and Motherhood," of the "crude and often open weapon that a man uses to control his wife," the threat of force or force itself:

> At a minimum it begins by a man's paling or flushing, clenching his fists at his sides or gritting his teeth, perhaps making lurching but controlled motions, or wild threatening ones while he states his case. In this circumstance, it is difficult for a woman to pursue the argument which is bringing about the reaction, usually an argument for more freedom, respect or equality in the marital situation . . . After a while, the conditioning becomes so strong that slight change of color on his part, or a slight stiffening of stance (nothing observable to an outsider) suffices to quiet her to keep her in line.

If one takes the literature of Women's Liberation seriously, as I do, one has to admit that such a "marital situation"—a revealing phrase—is more common than one would like to believe. But one is at a loss to know both why the woman in such a situation should wish to continue it, and why, if she does continue it, she thinks it would be improved by the ability to meet her husband's violence with her own.

A state of war?

But far more important than this alleged individual need for violence is the alleged collective need for it. Much of the literature seems to assume that the relationship between the sexes is a state of war, not as Thurber described it, perhaps because the women in his

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cartoons and stories were usually domineering and overwhelming, but as Hobbes described the state of nature. Robin Morgan describes the "reprisals" inflicted on some of the women who contributed to *Sisterhood is Powerful:* "five personal relationships were severed, two couples were divorced and one separated, one woman was forced to withdraw her article by the man she lived with; another's husband kept rewriting the piece until it was unrecognizable as her own." I find it hard to muster much sympathy for these casualties of the sex war. I would like to know what the "personal relationships" were which proved so frail; the history of the three marriages which foundered; how a woman could be forced to do something, not even by her husband, but by the man she lived with; under what conditions the last woman submitted her article to her husband for revision and correction.

In fact, I confront here one of the main difficulties which I have with the literature of Women's Liberation. I do not believe that all the difficulties in "the relation of one individual person to another individual," even when they are of different sexes, are caused by the difference of their sexes. "Friendship is an education in complexity," Hilaire Belloc wrote to a friend of a difficult mutual friend; and so it is. All intimate and deep personal relationships, of any length, are difficult; and it is banal as well as misleading to pretend that a single factor, the differences between the sexes or the differences in their status, are ever the only or often the main cause of their disruption.

The belief that the sexes are at war in a Hobbesian sense, that an analogy may be made between their war and the war, as it is represented, between the policeman and the individual, is parodied, although unintentionally, in an article on "Body Odor and Social Order" by Florika. "The aerosol spray container reveals that the roles of the policeman and the middle-class housewife are interchangeable. . . . The police have defined as well as sanctified the function of the aerosol weapon, but it is the housewife . . ., with her toy aerosol, who routinizes and normalizes its use."

She then addresses herself specifically to the deodorant *Right Guard:* its formula "is to neutralize the conflict between body odor and social order by providing total sanitation through individual sterilization;" "in its totality of concept, name, and function," *Right Guard* "is an environmental mechanism for controlling the middle class, the way the National Guard is an armed force for quelling rebellious minorities." A hair spray, similarly, "acts as an invisible screen to prevent humidity from infiltrating and subverting an orderly coif into an unruly jungle." An insect spray is equated with the war

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in Vietnam, which is "fought with aerosol technology—defoliants and herbicides." So to the conclusion. The disinfectant *Clean & Kill* "keeps your house germ-free, while it helps Standard International keep the world free. They make it, sister *Pssst!* Isn't it about time we let them do their own cleaning and killing?"

I am interested in the literature of Women's Liberation partly because it provides a good example of today's radical vocabulary and attitudes. The flirtation with violence which is to be found in the passages I have quoted is now all too familiar. This flirtation is dangerous precisely because it is unserious: violence is trivialized, it is a giggle. It is quite possible that, with just such a giggle, a member of Women's Liberation may one day blow up Grand Central station during the rush hour. Moreover, behind the giggle, as Hannah Arendt and J. Glenn Gray have argued recently, there is a radical failure to distinguish between violence and force. It is not an accident that, in the index to Kate Millett's *Sexual Politics* the first entry under "Violence (cruelty)" refers to a section of her second chapter which in the text is titled "Force," and that force is in turn equated with rape, sexual fantasy, sadism, hostile laughter, literary mysogony, and so on. It may seem trivial on one level, but on another the confusion could lead to a catastrophe.

What could woman be?

Women's Liberation sees itself as a radical political movement: in fact, it has grown out of "the Movement," and claims to have grown beyond it, because "the Movement" is now seen, in the words of Robin Morgan, as "the male-dominated counterfeit Left." One can understand this dissociation, because Stokely Carmichael has said, "The only position for women in SNCC is prone," and Abbie Hoffman has echoed, "The only alliance I would make with Women's Liberation is in bed"—both remarks which, as Kate Millett would sternly say, are likely to provoke mysogonist laughter. An editorial in *Women* is strung with the phrases of the New Left. In a capitalist society, "People are alienated from their work. . . . People are alienated from each other. . . . Finally, there is an alienation from nature." Homage is paid to "*Dialectic Thought.* Contradiction exists in the process of development of all things. . . . All processes involve change or motion, and change occurs through the interaction of contradictions." Liberation is an "evolving process," of which the third and final stage is "non-alienation (happiness)." Whereas the Founding Fathers proclaimed a right only to the pursuit of happiness, Women's

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Liberation seeks "true happiness for everyone," and such happiness is defined as "living in a non-alienated world." Of course, we will have to wait a little, because "We are not fully capable at this stage of history to conceive of all the dynamics of happiness."

The trouble with the radicalism of the New Left, of "the Movement," of Women's Liberation, and the reason why it is doomed to fail, is that its objects are not truly political. "Women are asking for nothing less than a transformation of the world," says an editorial in *Women*. In that case, women are asking for pie in the sky. "We are speaking, then, of a cultural revolution," says Kate Millett at the end of her book, "which, while it must necessarily involve the political and economic reorganization traditionally implied by the term revolution, must go far beyond this as well . . . to actually change the quality of life . . . to transform personality." The explanation of this impossible and self-deceiving objective is to be found at the beginning of her book: "I have therefore found it pertinent to define them [politics] "on grounds of personal contact between members of well-defined and coherent groups: races, castes, classes, and sexes." If once one defines politics in terms of people's "personal contacts," one is lost: one is lost, that is, unless one really means it, as Stalin meant it, as Hitler meant it, as Mao Tse-Tung means it, unless one really wishes to subordinate "personal contacts" to the state.

Given that the objectives of Women's Liberation are so broad, one can understand the distraction of Robin Morgan's question: "It's a thoroughly terrifying subject to explore: what *are* our alternatives?" —and the equal distraction of her answer:

> No one, clearly, has any answers yet, although a host of possibilities present themselves to confuse us all even further. Living alone? Living in mixed communes with men and women? Living in all-women communes? Having children? Not having children? Raising them collectively, or in the old family structure? The father and/or other men sharing equally in the child care, or shouldering it entirely, or not being permitted any participation? Homosexuality as a viable political alternative [what does that mean?] which straight women must begin to recognize as such? More homosexuality, or bisexuality, as a beautiful affirmation of human *sexuality*, without all those absurd prefixes? Test-tube births? Masturbation? Womb-transplants? Gender control of the fetus? . . . Parthogenesis? Why? Why not?

And with that Robin Morgan draws a breath. "It has made me slightly dizzy," she concludes, "trying to list them all—and I must have missed some—and there are others not even dreamed of yet . . . It is not a small job, and it does seem as if women's work is never done."

Amongst all this over-excited writing, the only way of taking

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Women's Liberation seriously is to look, first, at the sufferings against which its members protest. I talk of sufferings rather than of grievances, because the literature makes its deepest impact when its writers report real sufferings. I was not altogether surprised to discover this. It has long been my belief that, in several ways at several levels, women have been depersonalized as a result of the customs and attitudes of, say, four thousand years of our civilization. My own attitude may be simply put: *I do not think that we know what women could be.* I would like to think that this attitude has grown out of, as I hope that it has to some extent informed, my personal relations with them. But there have been impersonal influences. It is, for example, a long time since I first read Virginia Woolf's passionate affirmation in *Three Guineas*, with its long footnotes collected at the back, quoting the memoirs of Victorian women reporting nothing less than their sufferings in the roles assigned to them. Again, for all their wit and irony and dryness, I have always thought that the novels of Jane Austen were far more bitter than is generally recognized; and I have observed that, as descriptions of human relationships, they are not as much favorites with women as with men.

At the bottom of the literature of Women's Liberation, with all its follies and excesses and limitations, is a profound truth: that these women know that they could be other, and might be more, than they have been made. One is reminded, as one reads, of Antigone's flaming retort to Ismene, who tells her that she will fail: "When I have tried and failed, I shall have failed."

Sex on the brain

We should notice, to begin with, the occasion of the current protest. It is still stated best in the book which effectively started it all, Betty Friedan's *The Feminine Mystique*. After the end of the Second World War, it was necessary to get the women who had gone to work during the war out of the factories and offices, and off the labor market. As if commanded by a single voice, the entire propaganda machine of an entire society—this is why the movement is today particularly strong in America—turned to celebrate "the home" and "the housewife as heroine." One cannot read this propaganda of the 1950's without recognizing how it banalized what I, at any rate, regard as activities which are potentially dignified and rewarding—making a home, maintaining a marriage, rearing a family. One sometimes has the impression that, in the 1950's, American women read nothing but Benjamin Spock's homely treatise—itself

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a patriarchal book—buying each succeeding edition to go with each succeeding baby.

Kate Millett, in her much more pretentious book, makes the same point more elaborately—women were gaining ground until the 1930's, and lost it in the 1940's and 1950's, and she describes this last phase as "the counter-revolution." Her villain is Freud. She is an organized writer, and her assault on his theories of female sexuality could hardly, for her purposes, be better executed. It is wholly understandable, of course, that Freud's views about women should arouse the ire of Women's Liberation, but one wishes that its writers would acknowledge that, in spite of these particular views, there probably would be no Women's Liberation movement today if he had not lived. The change in "the relation of one individual person to another individual"—the true revolution, of which Women's Liberation is a part—owes more to him than can easily be estimated. In the literature which I have read this is barely acknowledged, and it is refreshing when it is, as by Mary Jane Sherfey, when she talks of "the new social equality and emotional honesty"—that is not exactly how I would put it—which is "sweeping the world," and adds that they "owe more to the genius of Sigmund Freud than to any other single individual."

One may notice in passing, that this treatment of Freud is a characteristic fault of Kate Millett's book, which in the end I found a big bore. She is obsessed with sexuality. It is she herself who seems to treat women as, if not sexual objects, then as sexual subjects. When this obsession is not gripping her, she is persuasive: her second chapter, which she regards as the most important, does not deserve its pretentious title, "Theory of Sexual Politics," but her brief description of the various forms which male dominance takes has an accumulating force. If she had remained with those various forms, and tried to show us if, and how, they are linked, she would have written an important book. Even more important, if she had drawn her evidence from life, instead of almost wholly from literature, it would be easier to be persuaded that she is not exaggerating. It is not only that Lawrence and Miller, Mailer and Genet, are poor witnesses, but that they are witnesses primarily on the single theme of sexuality. Other themes drift in and out of Millett's examination; but they are only secondary.

One is inclined to say of Kate Millett what Malcolm Muggeridge some time ago said of the British people—that they seem to have sex on the brain, which is a peculiar place to have it. I find Betty Friedan's sense of proportion—her concern with ordinary women in

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the variety of their daily activities—both more attractive and more persuasive. I think that there are a number of things which are rubbing women raw today: I do not believe that either their cause or their remedy is to be found mainly in the sack. Whatever it is from which women need to be liberated today, it is not from Norman Mailer's vision—is it more?—of the sexual act, except in so far as it makes them think that they are missing something.

Personal relations and political propositions

"Once men have seen that the determination of their own potential humanity can be injured by the domination of others, they insist on their freedom of action and thought." So writes John T. Noonan, Jr., in an essay, "An Almost Absolute Value in History." Women have today "seen that the determination of their own potential humanity can be injured by the domination of others." No one can read the literature of Women's Liberation, the bad as well as the good, without understanding that this recognition of their injury is the cause of the sufferings which they describe, and against which they protest. In fact, the recognition of their injury, and this is true of many movements of protest, is a deeper cause of suffering than the injury itself, which I believe is exaggerated in much of the literature.

One finds clear echoes of this in the best of the Women's Liberation writing. "It makes you very sensitive—raw, even—this consciousness," says Robin Morgan, and it is to the often anguished expressions of this consciousness that one must, in the end, listen. To Mary Daly: "The majority of women have never protested their relegation, in theory and social fact, to subhuman categories." To Zoe Moss: "What, fat, forty-three, and I dare to think I'm still a person! No, I'm an invisible lump." To Alice Embree: "a woman is supposed to be a *body,* not a *person*—a decorated body." To Naomi Weisstein: "What we will show is that it is *wrong:* that there isn't the tiniest shred of evidence that these fantasies of servitude and childish dependence have anything to do with women's true potential." It is easy to tire of the repetitive assertions of self. But they are cries of pain, and the image which has come to my mind as I have read the literature is of human beings caught, almost literally, in man-traps—those 18th century engines, with jaws and teeth, which snapped shut on the legs of poor trespassers on the estates of the landed gentry of Europe.

But, when that has been said, one must confront—and Women's

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Liberation, especially, must confront—the underlying weakness of the movement. In other rebellions of the oppressed, the condition of one can be taken as representative of the rest. One slave writing about his experience tells of an experience common to slaves; one black writing of his oppression tells of an oppression common to blacks; and so on. I do not think that it is a lack of imagination on my part which makes it difficult for me to make this leap, this identification of one with all, when I read the literature of Women's Liberation. I do not believe that homes are wholly and everywhere prisons; I do not believe that marriages are wholly and everywhere enslavements; I do not believe that families are wholly and everywhere burdens; I do not believe that the sexual act is wholly and everywhere aggression. My difficulty when I read a description of an unhappy marriage, such as is given by Beverly Jones in "The Dynamics of Marriage and Motherhood," is that I feel I am reading about an unhappy marriage and not about marriage as an institution, and this feeling does not evaporate if I am told that there are thousands, even millions, of unhappy marriages. The relationships with which Women's Liberation is concerned are far too personal to provide the generalizations which are necessary to make a political movement possible.

It is simply untrue to say, as Beverly Jones does, that "A relationship between a man and a woman is no more or less a personal relationship than is the relationship between a woman and her maid, a master and his slave, a teacher and his student." These other secondary relationships exist on few and simple planes. They are only incidentally personal, if they are personal at all. The woman and the maid who become personally attached, the slave-owner and the slave who form a personal bond, the teacher and the student who establish a personal rapport—all of these are familiar cases. But their personal relationship does not transcend their institutional relationship, whereas the relationship of a man with a woman can, and frequently, does. "Of course," continues Beverly Jones, "there are personal, individual qualities to a particular relationship in any of these categories, but they are so overshadowed by the class nature of the relationship, by the volume of the class response as to be almost insignificant." It is this which is exactly true of the woman and her maid, the master and his slave, the teacher and his student, but it is not true of "the relation of one individual person to a second individual." It is the refusal to recognize this which so often prevents the literature of Women's Liberation from rising to the size of its subject, which strangles the cry of pain, which trivializes the search

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for a necessary change in human relationships, which fails to capture the note of genuine prophecy which resounds in the words of Rilke.

Is the unhappiness of a large number of women, which I believe to be a real human problem today, urgently requiring our attention, a personal or a class condition? The inability to answer this question satisfactorily is a characteristic of all the literature. Even in a single article, Robin Morgan can say, on the one hand, that "Women's Liberation is the first radical movement to base its politics—in fact, create its politics—out of concrete personal experience" and, on the other, that "The Women's Liberation movement is the only radical movement I know of today which is dealing with the issue of class —on a concrete as well as a theoretical basis." I find both of these statements untrue; even more important, their conflict seems to me to represent the difficulty which Women's Liberation has in defining the nature of the problem and knowing where to put the emphasis.

The essential next step

The sufferings which are described in the literature of Women's Liberation may be summarized as follows:

—the narrow definition, from a girl's earliest years, of her potential nature as a female human being, and of her potential role within society;

—the bias in the educational system—in admissions policies, in curricula, in teaching attitudes—which reinforces that narrow definition;

—the bias in employment policies, both public and private, which is both the result of that narrow definition, and in turn reinforces it further;

—the social propaganda which seeks to make that narrow definition acceptable by glamourizing the sexual characteristics and the sexual role of women;

—the social propaganda which further seeks to make that narrow definition acceptable by sentimentalizing and exalting the roles of wife and mother;

—the social propaganda which still further seeks to make that narrow definition acceptable by persuading women that as consumers they are pampered;

—the manners by which men, consciously or unconsciously, slight those women who seek to expand that narrow definition, and realize their full natures;

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—the manners by which women are persuaded to persuade themselves that, if they seek to expand that narrow definition, they will betray their female natures;

—the narrow definition, from a boy's earliest years, of his potential nature as a male human being, and of his potential role in society.

This last is the natural complement of the previous nine points; and, although this is recognized in the literature of Women's Liberation, far too little attention is paid to it. Much has changed in this direction even in my lifetime. At school, the sports champion is no longer the only or the automatic hero. Physical toughness and physical prowess are no longer taken to be the only or the automatic indication of masculinity. As the girl friend of my twenty-one year old son once said to me, "weediness is in." The male now decorates himself for his own pleasure, and it is a far cry from the days, described with irony and verve by Virginia Woolf, when the uniform of a Soldier of the Queen was romantically attractive. Fathers are more familiar and more at ease with their children, and spend more time with them. Above all, perhaps, men are less fearful of displaying their emotions, even tender emotions, in public. The stiff upper lip of the male is now allowed to be seen to quiver. All of this has happened since the beginning of the 1950's. In fact, the freedom of men to re-define their potential natures, and then to enjoy them, has expanded rapidly in the past decade, and I have no doubt that Women's Liberation is, in large part, a response to the male declaration of independence of the female.

But, if one ponders the points which I have summarized—and I think that my summary puts them in a more acceptable vocabulary than does most of the literature of Women's Liberation—there is very little that politics—a state or a society—can do. We are on far too deep a level for any other change to operate but the one of which Rilke spoke. What is more, it is operating; and this is perhaps the most important point to be made. It is a commonplace observation of anyone who has studied political and social movements that they tend to come into being when the cause has already been won. This is not altogether surprising since, as I said above, revolutions are made when we re-define the nature of our humanity, so as to include within it human beings who were previously excluded. Trade unions have come into being when the working class have been already admitted by a re-definition of the nature of our humanity to the society of human beings. Anti-slavery could only be a successful movement when slaves could be defined as human

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beings. That is why the notes which one took as a schoolboy—and I wish schoolboys took notes today—do not, in the end, play one false. It *was* Voltaire, it *was* Rousseau, who made the essential re-definition, and in doing so paralyzed the resistance of the aristocrats.

For human beings *do* recognize each other. I am not being cynical —but the opposite—when I say that one has only to convince an aristocrat or a slave-owner that a *sans culotte* or a slave is a human being, and his game is up. He, or at least some amongst his number, will fight for generations. But, when a human being is told that a class which he previously excluded from the human race is itself composed of human beings, the meaning of his fight has evaporated. It has happened, astonishingly quickly, with the Blacks since the 1950's. It has happened to them, as well as to the Whites. Their assertion of their Blackness—and I have no doubt that such assertions as the Afro-Asian haircut are far more important than merely political claims—followed the assertion and recognition of their humanity. In much the same way, Women's Liberation is today a movement of women already recognized as human. But they have not yet taken that essential next step which the Blacks took so quickly and so confidently—to assert themselves as female human beings, with the emphasis on female as it is on Black.

The female and the feminine

This is crucially important. Women's Liberation is not going to persuade the vast majority of women to deny their female, and even their feminine, natures. It is not going to persuade the vast majority of them that the bearing of children within their own bodies is not an experience that is exceptional to them, and part of their very being, even when it is denied to them. It is not going to persuade the vast majority of them that the love of a mother for her child is not more profound than that of the love of a father. It is not going to persuade the vast majority of them that, if the sexual act becomes increasingly oral or anal, instead of genital, as the latest inquiries in America suggest is now happening, it is not being converted into something which makes them superfluous—an act which the male can perform adequately with another male. The female, like the Black, will respect her biology as part of her being.

Many of the writers of Women's Liberation rely heavily on the evidence of W. H. Masters and Virginia Johnson that the female, unlike the male, is capable of an uncountable number of orgasms—I was about to say one on top of the other. Coupled with the evi-

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dence from Oscar Wilde and D. H. Lawrence, Norman Mailer and Jean Genet, much of their literature gives the impression of women, of all women, lying around, standing up, bending over, clinging to the bedposts, hanging from the candelabra, waiting for the sexual act to be performed on them, until sheer physical exhaustion, which appears to be the only escape from this torment, defeats their insatiable sexual potentialities. It is on these grounds that much of the literature of Women's Liberation argues that a monogamous relationship is not suited to the female. They may be right, but it is hard to take their reason seriously. It has not been my observation that either marriages or even long heterosexual relationships outside marriage exist and hold well together either solely or, in the end, primarily to satisfy sexual appetites. Even Masters and Johnson said —which too many of the Women's Liberation writers ignore—that a woman could achieve an emotional satisfaction with one orgasm which rendered further physical satisfaction unnecessary. It used to be called love.

But I would go beyond the female to the feminine, however dangerous the ground may be. Outside the idealized forms of the Greek and of the Renaissance, women are more beautiful than men. It just happens to be true that the female nude has properties that the male nude does not possess. To deny this—to deny it even in the average female face as opposed to the average male face, of all races—seems to me, to put it briefly, deliberate blindness. But, even if one does not argue which is the more beautiful, surely we can at least agree that they are different. (The men of the *Pinta* and the *Nina* and the *Santa Maria* were quite aware of the difference when they encountered it in another and unadorned race.) Now, let me admit that our ideas of aesthetics have been taught and acquired over many centuries, and that our ideas of male and female have also been extended by being taught and acquired. Let me admit, further, that our ideas of both have changed, are changing, and should be changed, as they have many times before. I will still argue that taught and acquired nature is an important part of human nature.

This is my deepest quarrel, not only with Women's Liberation, but with much of the "New Left" attitudes of today. We are not merely Nature. *We are also our manners:* taught, yes, but this is no humiliation; acquired, yes, but that can only mean a gain. Much of what we regard, and enjoy, as feminine, which the female as well as the male enjoys, is manners. Some of those manners should, no doubt, be changed and modified. But there is an idea, and a fact,

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of the feminine which I believe has added, and still adds, a grace to human company without which it would be poorer. I do not deny the grievances and the sufferings which I have already mentioned; in particular, I do not deny the distorting pressures of our commercial society, which bear on the male as well as the female. But however much there has been, and still is, which we now count as false in the idea of the feminine, there has been, and still is, at least as much which we must count as humanizing, civilizing, and a valuable extension of our idea of human nature.

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Revenue sharing in theory and practice

EDWARD C. BANFIELD

How one evaluates revenue sharing will depend upon what one takes the central issues to be. Oddly enough, what must appear to many people to be *the issue* —namely, how to keep the cities and states from going bankrupt— is not properly speaking an issue at all.

Mayor Lindsay has long tried to give the impression that catastrophe lies just ahead unless the federal government provides "massive" additional financial support. Recently other political leaders have been saying the same thing. "Countless cities across the nation," Mayor Gibson of Newark told the press recently, are "rapidly approaching bankruptcy." Governor Rockefeller, after having been informed of the Administration's latest plans, remarked that the federal government must do even more to prevent the states and cities from "virtually falling to pieces." Meanwhile Governor Cahill of New Jersey was telling a joint session of his legislature that "the sovereign states of this nation can no longer supply the funds to meet urgent and necessary needs of our citizens, and institutions and our cities." A day or two later Senator Humphrey in a single sentence made two of the most outstanding rhetorical contributions. The cities, he said, are "mortally sick and getting sicker" and the states "are in a state of chronic fiscal crisis."

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In fact, the revenue-sharing idea was, at its inception, the product of exactly such forebodings. Back in 1964, when Walter Heller and Joseph Pechman proposed it, many well-informed people expected that state and local governments would soon be in serious financial difficulties while at the same time the federal government would be enjoying a large and rapidly growing surplus. The war in Vietnam was expected to end soon and, if federal income tax levels remained unchanged, the normal growth of the economy and the increase of population would yield large increases in revenue year after year. Thus, while the federal government fattened, the state and local governments would grow leaner and leaner. Because of rising birthrates and population movements, the demands made upon states and localities for all sorts of services, but especially schools, would increase much more rapidly than would their ability to raise revenue. Whereas the federal government depends largely upon the personal income tax, the yield of which increases automatically with incomes, state and local governments depend mainly upon sales and property taxes, which are inelastic. This being the outlook, it seemed sensible to make up the expected deficit of the state and local governments from the expected surplus of the federal government. Heller and Pechman proposed to do this by giving the states a claim on a fixed percentage of federal taxable income, subject to the requirement that a fair amount "pass through" the states directly to the cities. The idea quickly won wide acceptance. Both political parties adopted revenue-sharing planks, and in 1968 some 90 revenue-sharing bills were introduced in Congress.

What happened, however, was not what was expected. Federal expenditures rose unexpectedly (defense spending was cut, but increases in the numbers of persons eligible for social security together with higher payment levels and unexpectedly high costs for Medicaid took up the slack) and, because of the recession, tax collections fell off. Instead of a surplus the federal government faced a deficit. State and local governments meanwhile fared better than expected. Legislatures and electorates were surprisingly ready to approve new taxes and higher rates. In 1967, for example, the states increased their tax collections by 15 per cent, and in 1968 they increased them by another 15 per cent. Cities also found it possible to raise more revenue than they had expected. Between 1948 and 1969 state-local expenditures increased in real terms from 6.7 per cent of Gross National Product to about 10 per cent. For some time they have been the fastest growing sector of the economy. The credit rating of the cities has improved, not worsened. With respect to the 50

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largest cities, only three (New York, Boston, and Baltimore) received lower ratings from Moody's Investment Service in 1971 than in 1940 and many (including Chicago, Los Angeles, and Cleveland) received higher ones.

Dangerous as even short-run predictions in these matters have proved to be, it therefore seems safe to say that no "fiscal crisis" looms for most states and cities. In 1975, according to an estimate cited in a recent article by Richard Musgrave and A. Mitchell Polinsky, state and local expenditures will reach $119 billion. Assuming that federal aid increases at no more than the normal rate of recent years, this will leave a short-fall of $17 billion. Eleven billion of this will be made up from normal borrowing. The remaining deficit of $5 billion, Musgrave and Polinsky say, "could be met by a 5 per cent increase in tax rates at the state-local level, an increase which seems well within the reach of state-local governments . . ." As more and more state governments adopt income tax laws, their revenues will be less dependent upon the vagaries of legislatures and electorates. Moreover, thanks to the recent decline in the birthrate, the principal item of state-local expense—schooling—will for at least a decade be considerably less than had been expected.

Inability or unwillingness?

The "fiscal crisis" issue is spurious if defined as the inability (economic, organizational, legal or even political) of the states—and therefore in a sense of the cities, which are their legal creatures—to support public services at high and rising levels. It is real, however, if defined as their unwillingness to support many of these services at what most reformers deem minimum-adequate levels. Presumably what Governor Cahill meant to tell the New Jersey legislature was something like this: "Any proposal to raise state and local taxes to what everyone would consider satisfactory levels would surely be voted down." The issue, then, has to do with using federal revenue to raise the level of services above the level that, given the realities of state and local politics, would otherwise exist. In other words, it concerns the amount and kind of income redistribution that the federal government should undertake.

That the federal government, and not state-local ones, should be primarily responsible for any income redistribution has long been generally accepted. In recent decades this principle has been used to justify giving federal aid to states and localities in spectacularly increasing amounts. As John M. DeGrove has pointed out, the in-

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crease was ten-fold in the last 20 years, four-fold in the last 10, and two-fold in the last five. In 1970 federal aid to states and cities reached an all-time peak of over $24 billion. The question therefore is not *whether* they should be aided but (a) by how much and (b) on what principle of distribution.

In considering what is involved in this, it is necessary to distinguish those state-local needs that are in some sense national from those that are not. That millions of poor rural people have moved to the cities is not something that the taxpayers of the cities should bear the entire financial responsibility for; apart from fairness, there is another consideration—presumably the nation as a whole will be injured if these millions do not receive adequate school, health, police, and other services that only state and local governments can provide. This is one argument that may justify large additional federal support for the states even though they could—if they would—raise the necessary money themselves. Some state-local needs, however, are in no sense national. Most pollution control and much highway construction is in this category. Why, one may ask, should the people of New York be taxed to pay for cleaning up a river in Vermont? As Dick Netzer has remarked in his excellent *Economics and Urban Problems,* ideally such non-national needs should be met by the development of regional governmental agencies, interstate in some cases and metropolitan in others, that can collect taxes and distribute benefits with a view to whatever public is affected—and to that public only. Unfortunately, such jurisdictions do not exist and it is politically impossible to create them. There is, however, as Netzer points out, a substitute for them—namely, the state governments. So when mayors and governors demand *federal* aid for non-national purposes, they do not have a persuasive case. Not only is it unfair to shift the cost of essentially state-local benefits to the national public; it is also very wasteful, for when someone else is to pay the bill, the natural tendency is to be prodigal. (Since Uncle Sam is to pay, why not build the bridge or sewerage system twice as big and four times as costly as necessary?)

Still, there unquestionably do exist truly national needs which urgently require increases in federal aid. But aid to whom? Revenue sharing is not a self-evident proposition. In dealing with the redistribution problem, the Nixon Administration itself has consistently put the emphasis on aiding individuals rather than governments. Shortly after taking office it exempted persons below the poverty line from paying federal income taxes. In its first two years its main effort was to bring into being the Family Assistance Plan, the effect of which

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would be to reduce those income inequalities that in large part constitute the "crisis of the cities."

Looking at revenue sharing from this standpoint, there is much to be said against it. Compared to the existing federal grant-in-aid programs, it would be much less redistributive.[1] The existing programs are redistributive because grants are generally awarded on the basis of some criteria of need. The shared revenue, on the other hand, would be distributed to states and cities on the basis of population and tax effort. This means that the wealthier states (in terms of per capita income) would benefit; the poorer states would not. Moreover, it is not likely that all of the money that went to the richer states would end up in the pockets of its neediest citizens. Such features of revenue sharing make for complications.

Under the present grant programs, for example, New Yorkers pay in taxes much more to the federal government than they get back in grants from it. In 1967, the per capita personal income tax paid from New York state to the federal government was $433 whereas the grants received in 1968 amounted to only $120 per capita. In North Dakota it was the other way around; there the per capita personal income tax payment was $177 and per capita grants were $357. On the basis of these figures, a New York politician (say Senator Javits) might decide that revenue sharing is a big improvement over the grant system. After all, under the Administration's proposed plan, New York state, which accounts for 10.98 per cent of the national income, would get 10.68 per cent of the shared ('general') revenue, whereas under the present grant system it gets only (the figure is for 1968) 8.6 per cent. On the other hand, an Arkansas politician (say Wilbur Mills, Chairman of the House Ways and Means Committee) might conclude that revenue sharing is a very bad idea. Arkansas, which accounts for .67 per cent of the national income and gets (1968) 1.46 per cent of the federal grants would, under revenue sharing, get only .86 per cent of the $5 billion.

In the last decade or so, the movement of poor people from the country to the city has made income redistribution an intra-city, or rather intra-metropolitan area, problem, as well as an interstate one. Of the $17 billion granted in the fiscal year 1968, $10 billion went to metropolitan areas. Some of the largest grant programs—especially OEO, Model Cities, and Title I of the Elementary and Secondary

[1] What is under discussion at this point is the so-called "general" revenue-sharing proposal: that is, the $5 billion, to start with, that would go to states and cities with "no strings attached." This is to be distinguished from "special" revenue sharing, which is the grant system much reorganized and with $1 billion in "new" money added to it.

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Education Act of 1965—put money mainly or entirely in so-called poverty areas. From the standpoint of the people who live in these areas, revenue sharing is subject to exactly the same objection that it is subject to in Arkansas: i.e., that it will give these areas less than they would get if the same amount were distributed under the existing grant programs. As Governor Sargent of Massachusetts has pointed out, the wealthy suburb of Newton would get $1,527,668 of the $5 billion that the Administration proposes to share, whereas Fall River, a city that is really poor, would get only $827,760. One way to meet this objection, at least in part, would be to declare small cities, most of which are well-off suburbs, ineligible to share in the fund. Two years ago, the Intergovernmental Relations Advisory Commission suggested limiting eligibility to cities of 50,000 or more but it has since been realized that this would leave more than 40 per cent of all cities without an incentive to support the plan. The small suburbs are disproportionately Republican, of course, and this must also be taken into account by the Nixon Administration.

That a state like Arkansas or a city like Fall River would rather have $5 billion distributed under the existing grant programs than under revenue sharing is quite irrelevant if, as some observers claim, Congress could not possibly be persuaded to increase the total of grants by any such sum. Those who think that the Administration must "come up with something new" if it is to have any chance of getting "massive" new money for the cities will presumably conclude that $5 billion in revenue sharing is preferable to, at best, a few hundred million more in grants.

Of course the choice need not be between revenue sharing and grants. There are indications that Congress might be willing to assume the costs of certain social programs, especially welfare. Insofar as the object is to redistribute income, it would certainly make more sense to allot the $5 billion to welfare than to revenue sharing. This has been the Administration's position all along. Family assistance, not revenue sharing, was, and presumably still is, its first love.

A "New Federalism"?

From the standpoint of the Administration, the central issue is neither the alleged "fiscal crisis" nor the problem of income redistribution. Rather it is the direction in which the federal system is to develop. From his first statement on the subject (August 13, 1969), the President has emphasized the need to create what he calls a

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New Federalism. Revenue sharing, he said when he first proposed it, would "mark a turning point in federal-state relations, the beginning of the decentralization of governmental power, and the restoration of a rightful balance between state capitals and the national capital." By the end of the decade, he predicted, "the political landscape of America will be visibly altered, and state and cities will have a far greater share of power and responsibility for solving their own problems." In his recent State of the Union Message, he went even farther. He was proposing, he said, a New American Revolution.

> . . . a peaceful revolution in which power will be turned back to the people—in which government at all levels will be refreshed, renewed, and made truly responsive. This can be a revolution as profound, as far reaching, as exciting, as that first revolution almost 200 years ago.

One of the things that caused the President to think along these lines was the rapid and continuing growth that has been—and still is—taking place in the number of federal grant-in-aid programs. As he pointed out in his 1969 message, this growth has been 'near explosive'; between 1962 and 1966, he said, the number of categorical grant programs increased from 160 to 349. There was no reason to think that the rate of increase would slow down, much less stop, of its own accord; but unless it *did* slow down, categorical programs would soon number in the thousands. Revenue sharing was one of the means by which the Administration hoped to slow it down. Instead of creating more categorical programs, Congress would be asked to give the money to the states and cities "with no strings attached." Along with revenue sharing, the President asked for authority to order consolidations of categorical programs, provided that Congress did not within 60 days disapprove his orders. He also proposed a Manpower Training Act which (among other things) would have permitted the consolidation of about 20 more or less competing manpower programs and would have given the governors of the states a good deal of control over the consolidated program.

All of these measures had a common rationale—to simplify the structure of federal aid to the states and cities in order to bring it under control and reduce waste. With hundreds of grant programs, each with its own laws and regulations, no central direction is possible. Cabinet officers cannot keep track of—let alone exercise policy direction over—the many and varied programs for which they are responsible. Governors cannot find out what federal money is coming into their states or what is being done with it. The largest cities employ practitioners of the new art of "grantsmanship," in some instances with great success; many small cities, however, finding that

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they must apply to scores, or even hundreds, of programs, each with its own special requirements and each administered by a different bureaucracy, have more or less given up any hope of getting much help. The system, if it can be called that, is as wasteful as it is frustrating. A state or local government cannot trade a project that is low on its priority list for one that is high. Perhaps it can get $20 million for an expressway that it does not want but not $200,000 for a drug addiction project that it wants desperately. This involves a double waste: first in what is taken (local authorities can rarely refuse money that is "free") and second in the foregone benefits of desirable projects for which grants are unavailable.

The proposals in the State of the Union Message represent elaborations of those put forward in 1969. "General" revenue sharing differs from the revenue sharing then proposed only in amount and in the percentage (now 48) to be "passed through" to the cities. "Special" revenue sharing is (despite the confusing terminology) nothing but consolidation of categorical programs on an all-at-once, comprehensive basis rather than on a piecemeal one. As everybody presumably knows by now, a few categorical programs would be eliminated and most of the others grouped into six super-categories (urban community development, rural community development, education, manpower training, law enforcement, and transportation) each under a cabinet officer. Under "special" revenue sharing, grants-in-aid would be distributed among states and local governments on the basis of need as in the past, but the distribution would be according to an agreed-upon formula (or rather formulae because each supercategory would have its own) rather than as the result of (among other things) grantsmanship, endurance, "clout," and chicanery—criteria that cannot be excluded at present. Under the plans so far announced (in the nature of the case these are incomplete and somewhat tentative) some interests are bound to gain and others to lose. Mayor Hatcher of Gary, Indiana, for example, has complained that his city would lose about one-fourth of the $150 million a year that it now receives. To such complaints the Administration has replied that it will hold in reserve a fund from which to make up any losses that local goverments may suffer because of changes in distribution formulae.

Organized beneficiaries

There is no doubt that state and local officials enthusiastically favor consolidating and simplifying the grant system and giving

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them (the officials) wide discretion in deciding the uses to which federal aid should be put. Congressmen, too, are well aware of the faults of the present system, and many have spoken out against it. Nevertheless, there is reason to think that proposals to change the system fundamentally will not prove acceptable now or later, no matter who proposes them or what their merits.

It must be remembered that every one of the categorical programs (the most recent estimate is 550) has its organized beneficiaries—not only those who receive grants but also those who are paid salaries for administering them. These beneficiaries have a much livelier interest in maintaining and enlarging their special benefits than the generality of taxpayers—unorganized, of course—has in curtailing them. If there happens to be a grant program for re-training teachers in secondary schools having high drop-out rates, it is safe to say that there exists an organization that will exert itself vigorously to prevent the consolidation of that program with others. It is safe to say, too, that no organization exists to put in a good word for the consolidation of the teacher-retraining program with other manpower programs.

From the standpoint of organized interests, dealing with Congress and the Washington bureaucracies (a few key Congressmen and administrators are usually all that matter to any particular interest) is vastly easier and more likely to succeed than is dealing with the legislatures and governors of 50 states, not to mention the officials of countless cities, counties, and special districts. This consideration alone might well be decisive from the standpoint of organized labor, which knows just where to go and whom to see in Washington, even if the political complexions of the state and local governments were exactly the same as that of the national government. In fact, of course, they are not; some interests that are well received and can make themselves heard in Washington—organized labor, minority groups, the poor—would be ignored in certain state capitols and city halls.

Interest groups will not be the only, or probably the most important, defenders of the grant system, however. Congressmen—especially those on important committees—are fond of categorical programs for at least two reasons. One is that they constitute answers to the perennial question: What have you done for me lately? A narrowly defined category is ideal from this standpoint. It is custom-made to suit the requirements of some key group of constituents and the Congressman can plainly label it "from me to you." Revenue sharing, whether "general" or "special," altogether lacks this advan-

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tage. It gives benefits not to constituents directly but in wholesale lots to state and local politicians who will package them for retail distribution under their own labels, taking all of the credit.

Congressmen also like categorical programs because of the opportunities they afford to interfere in administration and thus to secure special treatment, or at least the appearance of it, for constituents among whom, as Jerome T. Murphy shows in his case study of the politics of educational reform (*Harvard Educational Review*, February 1971) state and local as well as federal agencies sometimes figure prominently. These opportunities are plentiful because the Congressmen see to it that "ifs," "ands," and "buts" are written into the legislation in the right places, and because administrators are well aware that every year they must respond in public to whatever questions may be asked in appropriations and other hearings. Wanting to stay on the right side of those members of Congress with whom they must deal, administrators frequently ask them for "advice." Perhaps it is not too much to say that the categorical system constitutes a last line of defense against what many Congressmen regard as the usurpation of their function by the executive branch.

As this implies, the present coldness of Congress to President Nixon's revenue-sharing proposals is not to be explained solely or perhaps even mainly on the ground that he is Republican and Congress is Democratic. The crucial fact is that his proposals would involve a large-scale shift of power from Congress to the White House. *No* Congress would like that, although sooner or later one may feel compelled to accept it.

Revenue sharing would also shift power to governors and mayors. To hear some of them talk, one might think that they would like to have the federal government dismantled and the pieces turned over to them. In fact, most of them are likely to find excuses for not accepting powers that may be politically awkward—and what ones may not?

In his valuable book, *The American System*, the late Morton Grodzins provides some evidence on this point. He tells at some length the story of the Joint Federal-State Action Committee, which President Eisenhower created in 1957 after a flight of oratory (". . . those who would be free must stand eternal watch against excessive concentration of power in government . . .") to designate federal functions that might be devolved to the states along with revenue to support them. The Committee was a very high level one; it included three members of the Cabinet, the Director of the Bureau of the Budget, and a dozen governors. After laboring for two years,

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it found only two programs that the federal government would give up and that the states would accept—vocational education and municipal waste treatment plants. As Grodzins explains, the difficulty was not so much that the federal agencies could not be persuaded to give up functions as that the governors would not accept them. They would not take the school lunch program, for example, because doing so would involve a fuss about parochial schools, and they would not take Old Age Assistance because they knew that the old people's lobby would not like having it transferred to the states. Modest as the Committee's two proposals were and strongly as President Eisenhower backed them, Congress turned them down.

Whether state and local governments would make good use of the federal funds if given them "with no strings attached" is much doubted by career civil servants in Washington and by what may be called the good government movement. State and city governments, it is frequently said, are in general grossly inefficient and in many instances corrupt as well. The charge is certainly plausible—one wonders whether New York City, for example, has the capacity to use wisely the large amounts that it would receive. The fact is, however, that no one really knows what the state and local governments are capable of. And even if their capacity should prove to be as little as the pessimists say it is, may it not even so be superior to that of the present system *as it will be in another decade or two?*

Administrators in Washington generally assume that the management capacity of state and local governments can be much improved by provision of special grants to strengthen the staffs of the chief executives and by teaching the techniques and advantages of comprehensive planning. The lessons of the last 10 years give little support to this assumption, but the Administration is nevertheless proposing a fund of $100 million for more such efforts. In my judgment the results are bound to be disappointing. It is the necessity of working out compromises among the numerous holders of bits and pieces of power on the state-local scene that is the main cause, not only of "inefficiency," but of corruption as well. Giving governors and mayors authority over the spending of federal funds would, by strengthening their political positions, reduce the amount of compromising that they must do and the amount of corruption that they must pretend not to see if they are to get anything done. In this way it would contribute more than anything else to increasing the coherence (to use the word that is favored among planners) of state-local programs. The $100 million in management assistance that the federal government proposes would probably work in the very opposite di-

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rection. In practice if not in theory, giving "technical assistance" usually means maintaining and extending the influence of the federal agencies.

The prospect before us

Insofar as there would be a real devolution of power to governors and mayors—and therefore, as the President said, to the people who elect them—the Administration's proposals could bring the federal system closer to what the Founding Fathers intended it to be. In my opinion, this is a consummation devoutly to be desired. There is no denying, however, that the short-run effect of decentralization of power would be to take a great deal of pressure off those state and local regimes, of which there may be many, that have no disposition to provide essential public services on an equitable basis or at what reasonable people would regard as adequate levels. This is a powerful objection. It may, however, only be a temporary one. Within a very few years, the political arithmetic of every sizable city and every industrial state will be such as to give politicians strong incentives to take very full account of the needs and wishes of those elements of the electorate that have been, and in some places still are, neglected.

Still, given the political realities that I have mentioned—a public opinion that favors income redistribution but is divided as to how far it should go and how costs and benefits should be apportioned; tax boundary lines inappropriately drawn but not susceptible to being redrawn; hundreds of federal agencies having programs to protect; interest groups even more numerous and with more at stake in the status quo; interstate and intra-metropolitan area differences of interest; Congressmen loath to see their powers diminished; governors and mayors equally loath to accept responsibilities that can be avoided—it is not to be expected that any quick or clear-cut settlement will be found for the issues that revenue sharing raises.

I expect that the federal government will continue to play a larger role in raising revenue for all sorts of purposes. As Julius Margolis has pointed out, the larger and more diverse the "package" of expenditure (or other) items that a government presents to its voters, the harder it is for the people to make their decisions on the basis of self-interest as opposed to ideology. This being the case, those who want to win acceptance for proposals that would not be accepted if self-interest were the criterion always try to include them in packages that are sufficiently large. That is, they prefer to have decisions

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made on a city-wide rather than a neighborhood basis, on a state-wide rather than a city-wide one, and on a national rather than a state one. It seems to me that the changing class character of the population reinforces this tendency. As we become more heavily upper-middle class, we are increasingly disposed to regard general principles (or ideology, as Margolis calls it), not self-interest, as the proper criterion.

If the federal government will have an ever-larger part in raising revenue, it is not likely to have an ever-smaller one in spending it. He who pays the piper calls the tune. To be sure, he may choose to permit, or even to require, others to do some calling when the number of tunes to be called is inconveniently large, and by so doing he may make everyone better off. The essential fact is, however, that the state governments can be what Governor Cahill called them—sovereign—only if they do what he says they cannot do—supply the funds to meet the urgent and necessary needs of their people. I myself am strongly in favor of the reforms that the President has proposed because I think they represent the largest improvement over the present situation that it is reasonable to hope for. I do not, however, share his expectation that these reforms will bring about "a historic and massive reversal of the flow of power in America." Indeed, in the event—unlikely, I am afraid—that his proposals are accepted and carried into effect, I would be very surprised if first Mississippi and then New York did not discover that they are ruled as much as ever by national public opinion, acting through national institutions—the Presidency, Congress, the Supreme Court—and that this opinion and these institutions, the White House most of all perhaps, will in the years ahead assert conceptions of the national interest more vigorously than ever.

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A new political realignment?

EVERETT LADD, JR., CHARLES HADLEY, LAURISTON KING

In the two years between Richard Nixon's 1968 Presidential victory and the November 1970 elections, the feeling arose that the United States had entered a phase of significant partisan realignment, and that impending changes in voter loyalties were going decisively against the Democrats. Kevin Phillips' much-discussed book, *The Emerging Republican Majority,* is the most elaborate exposition of this theory. But such obviously partisan explanations would have been of little moment had they not found general confirmation in the reports of more detached journalists and social scientists. Thus Samuel Lubell, one of the most far-seeing American political writers, in his *The Hidden Crisis in American Politics* (1970), penned an epitaph for Democratic ascendancy, anticipating "a new [partisan] alignment of two incomplete, narrow-based coalitions, polarized against each other." And Andrew Hacker predicted that "the [Republican] party may well begin to chalk up majorities as it has not since the days of Calvin Coolidge." In general, the commentaries by social scientists and journalists from 1968 through 1970 suggested that the Democrats' long ascendancy was at least seriously in question.

Now, in the aftermath of the Democratic victories of 1970, most of "the emerging Republican majority" talk has passed as quickly as it

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came. And rightly so; for as we shall see, it was *never* justified by the best data available. It would be comforting to conclude that the erroneous judgments were but an aberration, yet this does not appear to be the case. We detect in the writings on electoral politics of even the most careful social scientists what a colleague has so nicely called "an irresistible urge to extrapolate tiny momentary changes into Necessary Historical Tidal Forces." Predictions of big changes in the partisan balance have been made often over the past two decades—only to be quickly proved wrong.

In the 1950's politicians, journalists, and scholars alike saw the Republican party riding to national ascendancy on the growth of the suburbs, with their new middle class. In one ecstatic moment in 1952, Senator Robert A. Taft decreed that "the Democratic party will never win another national election until it solves the problem of the suburbs." As competent an observer as Edward Banfield assumed a 60 per cent Republican suburban plurality, and hence predicted that the Democrats' electoral advantage in metropolitan areas would disappear shortly after 1956—and further that, by 1975, the imbalance between city and suburban populations would be so great that the Republican metropolitan plurality would exceed two million. The error of Taft and Banfield derived primarily from the assumption that the relationship between socioeconomic status and party identification would persist. Specifically, it was assumed that the marked preference of the middle class in the 1930's for the Republican party would be duplicated in the vastly larger middle class which developed after World War II.

In 1964, the partisan balance was supposedly tipped more decisively in the Democrats' favor. After the Republican convention had chosen as the party's presidential nominee a man who the major opinion surveys had consistently shown to be the choice of a distinct minority of Republicans, and after this minority choice of the minority party had led his party to the predictable massive defeat, the view was frequently expressed that the Grand Old Party might not survive as a viable contender, that a period of even more complete Democratic ascendancy had probably been inaugurated. James Reston wrote in *The New York Times* of November 4, 1964, that "he [Senator Goldwater] had wrecked his party for a long time to come. . . ." And Angus Campbell, a keen student of electoral politics, examined the Survey Research Center's 1964 election study data and concluded that the United States was quite possibly entering "a period of party realignment which will increase the prevailing Democratic advantage in the party balance."

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Then, just a few years later, as we have noted, we were told that the Democratic majority was disintegrating and that a "new majority" was "emerging."[1]

The nature of party ascendancy

This recurring confusion over partisan alignments and potential realignments bespeaks two failures. First, a sufficiently precise distinction frequently has not been made between short-term developments, which influence defeat and victory in a given election but leave the parties intact, and long-term changes in the composition of the party coalitions, brought about by sweeping transformations in the society and resulting in distinctly different alignments of interests. And second, the extensive collection of survey data which has accumulated over the last 35 years has not been utilized for a systematic description of voter loyalties, of the composition of the two parties, and of changes therein.

The ascendancy of a majority party is not some casual thing. The American electoral experience shows long periods in which one party has held on firmly to majority status through all the ups and downs of day-to-day politicking. The source of this, we know, is in the persistence of voter identifications with particular parties. People develop affective orientations to political parties as part of the basic process of self-definition. "Who am I?" The question is answered: "A member of this family, but not of that; of this ethnic group but not that one; of this country but not those; of the Republican but not the Democratic party," and so on. People do indeed change their party identifications—the Survey Research Center of the University of Michigan has found that about 20 per cent of the electorate have changed from one party to another—but they do not do so easily or quietly.

A conspiracy of short-term events can easily cost the majority party an election; but such is the persistence of voter identifications that only those epoch-making social and economic changes which gradually transform the mix of political interests and rewrite the political agenda of the society are sufficient to allow the minority party to acquire enough new adherents to displace the old majority party. Lubell was pointing to this when he commented that "the breakup of a majority coalition is sometimes attributed to accidents

[1] Angus Campbell, "Interpreting the Presidential Victory," in Milton C. Cummings, Jr. (ed.), *The National Election of 1964* (The Brookings Institution, 1966), pp. 278-279.

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of personalities, such as the feud between Lyndon Johnson and Robert Kennedy, or to some critical event, as the Vietnam war. But the forces which upset the equilibrium of conflict within a coalition must be ones which require at least a generation to grow up."

The transition of the Democrats from minority to majority status in the 1930's provides a good picture of how those "forces which upset the equilibrium of conflict" can work their way. The Republican party held an apparently secure majority within the electorate of 1910, but immigration from the 1880's through the early 1920's added huge numbers of new voters whose experiences and ethnic attachments inclined them to Democratic allegiance. As the Depression revealed the new responsibilities which had been thrust upon government, the political agenda was rewritten, and the Democrats were thus given the opportunity to show that they could better respond to this agenda than could the Republicans. *Even then, long-term Democratic gains came, not from the conversion of voters who had been in the electorate before 1929, but from new voters who reached voting age in the Depression and post-Depression years.* Angus Campbell and his colleagues at the Survey Research Center have concluded that "a good many of those Republicans who defected into the Democratic ranks during the early years of the Roosevelt period were soon disenchanted. Some erstwhile Republicans never returned to their party, but those party-changers do not appear to have made up a very large part of the long-term Democratic increase." In seven national surveys between 1952 and 1958, it was found that 57 per cent of those who came of voting age in 1926 considered themselves Democrats; in 1933, this figure had risen to 67 per cent.

Thus, if the Democrats' majority standing was in jeopardy in 1970, some components of that threat should have been evident even in 1964, at the moment of Lyndon Johnson's overwhelming victory. Are there in fact some long-term changes underway significantly altering the composition and strength of the Democratic and Republican parties, and if so, in what direction are these moving? To answer this, we have examined the unbroken chain of Gallup survey data[2] which is

[2] Our basic data in this inquiry are the national surveys of the American Institute of Public Opinion (Gallup), 1937 through 1968, and the election studies of the Survey Research Center of the University of Michigan, 1952 through 1968. Computer analysis of these data was performed at the University of Connecticut Computer Center, and support facilities were provided by the University's Social Science Data Center. The Gallup data were made available through the Roper Center for Public Opinion Research (Williamstown), and the SRC data through the Inter-University Consortium for Political Research (Ann Arbor). Limited portions of this analysis are adapted from Everett Carll Ladd, Jr., *American Political Parties: Social Change and Political Response* (W. W. Norton, 1970).

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available, beginning with 1937; and the Survey Research Center studies which complement the Gallup since 1952. These surveys allow us to measure with fair precision the evolution of the parties since the New Deal.

Potential sources of party realignment

There are certainly indications—and there is by now a considerable literature which argues—that the United States is in the midst of the kind of long-term changes that redefine political coalitions. Still, general impressions can be misleading. Here, we shall try to assess the impact of the social changes of the last three or four decades on the composition of the parties. As variegated as the landscape of contemporary change is, three dimensions seem likely to be the most influential in terms of the party coalitions:

Interest configurations: from scarcity to abundance. The 1930's were years of acute economic privation, and there was a majority coalition of interests around this issue. But the America of 1971 is more preoccupied with the uses and abuses of affluence rather than with scarcity. What has happened to the partisan coalition built on the issue of scarcity?

The new ethnocultural frontier. Through the 1930's, the primary lines of ethnocultural conflict pitted various white ethnic and religious groups against one another, with Protestant vs. Catholic the most commonly encountered division. But Catholic Americans are no longer on the outside of an Anglo-Saxon culture, and together with other whites confront blacks across the new ethnocultural frontier. What has happened to the national coalition which depends heavily upon the support of whites in the two sections that are now the major battlegrounds of the new ethnic wars—the cities and the south?

Social change and the weakening of party loyalties. A final important dimension of change is said to involve not a restructuring of the parties but their disintegration. Two separate lines of argument merge here. On the one hand, it seems that party leaders have not responded fast enough to new demands generated by rapid change, causing many voters to lose confidence in their leadership. On the other, in an age of affluence, of high levels of formal education and instant electronic communication, growing numbers of people—especially among the young and the college-educated—come to feel little need for parties as *active intermediaries* between themselves and those in office. What have been the effects of this?

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Interest configurations: from scarcity to abundance

The advance in the prosperity of Americans from the Depression to the end of the 1960's is extraordinary by any measure. Per capita personal income (expressed in constant 1958 dollars) reached a Depression low of $898 in 1932; by 1941 it had jumped to $1,423, then to $1,805 in 1950, $2,153 in 1960 and to $2,882 in 1968—an increase of more than 300 per cent. Median family income, again in dollars of constant purchasing power, nearly doubled in the two decades after 1947. Such an increase in affluence drew a growing proportion of the population into the socioeconomic position commonly referred to as "middle class." The percentage of families earning $10,000 and more, in dollars of 1968 purchasing power, quadrupled, from 10 per cent to 40 per cent, between 1947 and 1968.

The impact of this dramatic surge in the wealth of a nation is not in all ways measurable by an examination of the survey data, but a number of things do become clear. The most important is that *the Democratic party did not suffer as a result of growing affluence at any point in this period.* A coalition forged in economic privation has not been weakened by a dramatic upturn in the prosperity of its members. Let us see why.

We know that the middle class of the 1930's, the predominantly "old" or entrepreneurial middle class, was heavily Republican, in marked contrast to the Democratic attachments of the lower strata. The survey data from the 1930's are less than adequate—Gallup, for example, did not ask family income—but they are sufficient to confirm this. Gallup's interviewers were instructed to make an assessment as to whether the respondent's economic position was "above average," "average," or "poor." (The interviewers were to base their judgments on such things as the quality of housing, and the possession of various consumer goods.) In 1937, those "above average" were heavily Republican, and the "poor" were as strongly Democratic.

TABLE 1. *Party Identification by Economic Strata, 1937 Gallup data*

	% Democrat	% Republican	% Independent
Above Average	34	50	16
Average	45	36	19
Poor	56	28	16

Since the 1930's, the economic position of a majority of Americans has improved greatly and the middle class has grown—but in the process *the middle class has been transformed.* Specifically, a vast new middle class has grown up, and it has relatively little in common

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with the old. There has been an enormous expansion of certain types of work which involve management and the production and distribution of knowledge. This activity goes on disproportionately in large bureaucratic structures, whereas the old middle class was mainly entrepreneurial. The politics of the New Deal saw an end to the easy ascendancy of the old middle class; in the 1950's and 1960's, the ascendant status of the new middle class has been clearly established.

The *substantially transformed middle class had become, by the 1960's, as firmly Democratic as the largely old middle class of the 1930's and before had been Republican.* Table 2 provides powerful testimony to the Democrats' current status as the party of the American middle class. It shows the partisan identification of respondents from three income groups: the roughly 40 per cent with family incomes below the national median for the year in which the survey was conducted; the 20 per cent clustered around the median; and the approximately 40 per cent with incomes clearly above the median. While people below the median are the most Democratic, those above give substantially more support to the Democrats than to the Republicans. Slightly more than six out of ten respondents earning more than $9,000 in 1968 (the median was $8,632) who identified with one of the two parties described themselves as Democrats. Fewer than 30 per cent from the top two income quintiles were Republicans.

TABLE 2. *Party Identification by Income Strata, 1952-1968*

	1952	1956	1960	1964	1968
Under the national median family income					
% Democrat	57	51	53	59	52
Republican	25 +32[1]	30 +21	30 +23	21 +38	22 +30
Independent	18	19	17	20	26
Total	100	100	100	100	100
Median					
% Democrat	54	46	49	56	45
Republican	25 +29	26 +20	26 +23	19 +37	24 +21
Independent	21	28	25	25	31
Total	100	100	100	100	100
Above the median					
% Democrat	43	42	44	42	40
Republican	31 +12	31 +11	31 +13	32 +10	27 +13
Independent	26	27	25	26	33
Total	100	100	100	100	100

[1] Percentage more (+) or less (−) Democratic.
The median family income in 1952 was $3,797; in 1956, $4,783; in 1960, $5,620; in 1964, $6,569; and in 1968, $8,632.

How did the Democratic party come by this enhanced standing within the middle classes? We see three primary precipitating factors. One was identified by Samuel Lubell in *The Future of American Politics,* when he wrote of "transplantation" occurring instead of

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"conversion." That is, as large numbers of Americans moved up the socioeconomic ladder, they carried their Democratic identification with them. This is entirely consistent with what we know about party identification—that once formed it tends to persist.

A second and related factor involves the *transformation* of the Democratic party, in tone and style, into a party oriented to the now-affluent. As many of the Democrats of the 1930's shared in a growing national prosperity, the character of their party changed. Democratic adherents began expecting different things of their party, and it responded to these new expectations. The Democratic party abandoned much of the rhetoric of the class struggle on which it had capitalized so well in the 1930's. And the new middle class, finding many like themselves in the Democratic party, saw nothing contradictory in being people of rising socioeconomic status and being Democrats.

Finally, as we noted earlier, a large segment of the middle class today is *new* middle class, i.e., occupies positions created by the economy of advanced industrialism; thereby it is not unreceptive to the various governmental programs and policies introduced by the Democratic party. The new middle class had no experience and no interest that would lead it into opposition to a substantial governmental role in regulating and managing the economy.

The *upper reaches* of the middle class have been more loyal to the Republican party; but even this stratum shows Democratic gains. Gallup and the SRC found a slight plurality of Democratic support in 1964 among those with family incomes over $15,000, although in 1968 there was again a small Republican plurality in this stratum. Throughout the period, a plurality of the college-educated identified with the Republican party; but the margin diminished in the 1950's and 1960's. Both Gallup and the SRC reported a slight plurality of this upper educational stratum for the Democrats in 1964.

The distribution of the partisan identifications of those in profes-

TABLE 3. *Party Identification of Professionals, 1937-1968*

	1937	1940	1944	1948	1952	1956	1960	1964	1968
Gallup									
% **Democrat**	35 −7[1]	28 −13	31 −16	34 −6	36 0	37 −2	36 −3	38 +6	32 −2
Republican	42	41	47	40	36	39	39	32	34
Independent	23	31	22	26	28	24	25	30	34
Total	100	100	100	100	100	100	100	100	100
SRC									
% **Democrat**					38 +3	30 −9	36 +3	46 +19	30 −3
Republican					35	39	33	27	33
Independent					27	31	31	27	37
Total					100	100	100	100	100

[1] Percentage more (+) or less (−) Democratic.

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sional and technical occupations indicates the same progression. In the 1930's and 1940's, professionals attached themselves to the Republican party by decisive margins. In the 1950's and 1960's, however, there was a shift in allegiance toward the Democrats, and in 1964 more in these occupations described themselves as Democrats than as Republicans. In 1968, there was a marked short-term shift away from the Democrats, with the percentage of independents rising sharply according to the SRC survey.

In this discussion, we have looked at the parties in terms of citizen identification, not actual votes. One would expect much greater fluctuations in voting than in identification, as bundles of short-term forces push first one way and then another. But we did need to know whether such fluctuations reveal a pattern—i.e., whether one party has suffered any *systematic* defection of its identifiers. It is possible that certain groups might routinely report normal identifications but nevertheless cross party lines with increasing frequency when they vote. One would like to know, too, whether people who describe themselves as "independents" show a consistent preference for one party or another. We got at these questions by examining the defection rates of party identifiers, and the behavior of independents, within the several education strata—formal educational attainment being one of the principal components of socioeconomic status.

Neither the Democrats nor the Republicans has suffered any consistently large defection, in terms of party identification, in one or more of the education strata. College-educated Democrats have crossed party lines to vote for Republican presidential candidates a little more frequently than Democrats with less formal education, but in 1968 they were the most "loyal." Nor do people who describe themselves as "independents" in fact consistently give disproportionate support to one party or the other. It is clear that the pattern of defections and independent voting behavior has varied from election to election with the mix of candidates and issues.

Class and party: some conclusions

In looking over three decades of survey data, we become aware of how much the parties have changed. The New Deal Democrats were a working class aggregation; the middle class was then decisively Republican. As the United States surged ahead into the dramatically extended affluence of the post-World War II years, however, the much larger new middle class became Democratic.

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Even in the upper reaches of the middle class, the Republican position is not secure. We expect that the Democratic decline in this stratum in 1968 will prove only short-term, a product of the many adversities facing the party that year. A particularly gloomy indicator for the Republicans is their weakness among the affluent young. Gallup has found that a majority of people over 40 with family incomes of $15,000 and up who identify with one of the two big parties are Republicans; but a large majority of college students from families with such incomes are Democrats.[3]

Indeed, the shift in the partisan loyalty of the upper middle class is such that Kevin Phillips has been moved to decry the Democrats as the party of the American establishment, "a new Establishment—the media, universities, conglomerate corporations, research and development corporations—[which] has achieved much of the power of the industrial and financial establishment dethroned politically by the New Deal." Phillips is referring, of course, to only a portion of the upper middle class—not reached through the national survey data which we rely upon in this paper—but it is an extremely influential group, especially in the creation and dissemination of knowledge. The obvious polemics of Phillips' book aside, it is a revealing commentary on the extent of change in the socioeconomic composition of the parties from the 1930's to the 1960's that a Republican strategist would belabor the Democratic party as the home of the "establishment" and thus unmindful of the needs of "the people."

We cannot escape the conclusion that the Democrats are the majority party in large measure because they are no longer the "old New Deal coalition;" they have successfully transformed themselves from a party of *have-nots* to a party of *haves*. They compete effectively with the Republicans within the massive middle class of this age of affluence. If there is a serious threat to continued Democratic ascendancy, it comes not from the transformation of class interests with growing affluence, but from a heightened and transformed ethnic conflict.

The new ethnocultural frontier

The attachments and interests of ethnic groups have always been a prime factor in defining the composition of the American citizenry

[3] Those describing themselves as independents have been omitted from the above computations, although we are aware that the increase in the proportion of independents among the college-educated young is an important development, and that more consider themselves independents than either Democrats or Republicans.

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parties. Now, powerful forces are at work obliterating one ethnic cleavage and putting another in its place. Put crudely, but not inaccurately—in American national life it is now *black vs. white* and no longer *Protestant* (old stock, western Europe) *vs. Catholic* (new stock, eastern and southern Europe). The implications of this shift in the ethnocultural frontier for the composition of the parties are potentially immense, and we must probe the data on partisan loyalties to see what they have thus far been.

The passing of the old frontier. The Democrats gave something concrete to the ethnocultural groups we describe by one of their characteristics, *Catholic*. For example, they made Alfred E. Smith, an Irish Catholic, their presidential nominee in 1928, extending recognition, acceptance, and legitimacy. In return they received regular electoral support. With the New Deal, Catholic group attachments to the Democratic party were reinforced by economic attachments, because most Catholics were in the economic classes which benefited most from the new social policies. Catholic Americans were an important part of the Rooseveltian coalition.

By the 1960's, however, the position of Catholics in American life had changed. Many had moved up the socioeconomic ladder, were now *haves* rather than *have-nots*. They were less and less a beneficiary group, more and more a contributing group in Democratic welfare policies. Perhaps even more important, most Catholics were no longer have-nots in *status* terms, having gained a large measure of acceptance into national life. The Democratic party can no longer count upon status services as a cement to secure Catholics to its coalition.

Religious group conflict has greatly declined and thereby lost its motive force as a shaper of the parties, but the patterns of identification set in the past when religious interests were vital have persisted. Catholics are substantially more Democratic, measured either by party identification or Presidential voting, and there is no indication yet of any significant diminution of the Democratic advantage. Gallup, for example, found in 1948, 50 per cent of American Catholics describing themselves as Democrats, 20 per cent as Republicans, and 30 per cent as independents; in 1968, the Gallup surveys recorded a distribution of 51, 22 and 27 per cent. But when a social group attachment to a party coalition is exclusively residual, lacking an interest base, that social group is "ripe" for picking from the coalition, as other differentiations arise in the population which really matter to people, which "hit them where they live." The "picking" process, however, may be slow, given the persistence of identifications based on once vital differences.

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The erosion of old loyalties, should it occur, however, can cut two ways. In the past the Democrats gained many votes as the "Catholic party," but they thereby lost many Protestants to the Republicans who were seen as the party of white Protestants everywhere outside the south. (Southern Protestants and black Protestants everywhere in the country are heavily Democratic, but white Protestants, outside the south, continue to show a substantial Republican plurality; in 1968, Gallup found, 47 per cent described themselves as Republicans, 25 per cent as independents, and only 28 per cent as Democrats.)

Race as the new frontier. The only politically important ethnic chasm in American national politics today separates whites from blacks. The saliency of racial conflict should pose particular problems for the Democratic coalition because it includes the vast majority of blacks and has been strong in both of the major battle areas, the big cities and the south. It had been relatively simple to unite the two racial groups behind a single party standard so long as many in both had as their chief political concern an improvement of the standard of living; it is quite another when some of the most bitter conflict revolves around the demands, fears, and resentments of blacks and whites as competing status groups.

The south. The century-old regional fidelity to the Democratic party had three great supports. The one best understood is that mixture of experiences surrounding race and the Civil War. The Democracy came to function as the expression of white supremacy and regional loyalty. But important as this prop was, it could not have held up one-partyism for so prolonged a period by itself. Parallel support was provided by the region's status as a predominantly rural and farming area in those years when the dominant national thrusts centered around industrial nation building. Because the Republicans were quickly established after the Civil War as the principal partisan instrument of the interests surrounding industrialization, the Democratic party was the obvious vehicle for the dissenting interests of the agricultural south. The old Confederacy was the last major section to industrialize.

The strength of these two supports naturally permitted construction of a third—tradition. Quite tangible interests underly the south's commitment to the Democratic party, but once established that commitment had a life of its own. For a southerner growing up in, say, 1920, Democratic allegiance was "natural." Wasn't everyone around Democratic? We have repeatedly called attention to the persistence of party identifications; in the south that meant the persistence of massive Democratic loyalties.

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By the end of the 1960's though the first two props had been kicked out, the third was still there, but the strains on it were immense and were warping it in strange ways. Since the 1940's and especially since 1961, the Democratic party nationally had been giving much stronger expression to the attack on white supremacy than the Republicans. Thus race, which had led the region to the Democratic party, was now leading it away. The south was the last region to industrialize, but after 1950 it industrialized with a passion. Much of this new southern industrialism behaved like industrialism three or four decades earlier in the northeast: it is, for example, militantly anti-trade union, opposed to large-scale governmental intervention in social and economic life, and generally conservative. As the older business interests of the north were swinging significantly toward the Democrats, southern business found the Republicans much more acceptable. The region acquired powerful new economic interests that considered the Republican party a natural home. That left tradition, bent but by no means bowed, as the only one of the three major supports remaining.

Negroes provided a new but relatively weak support of the Democratic party. Ironically, the ethnic group that had long been Republican and a cause of white southern loyalty to the Democratic party, has become overwhelmingly Democratic; at last enfranchised and participating in political life, it has helped to keep some tottering regional support for the national Democratic party. In 1968, nine southern Negroes in ten described themselves as Democrats.

Party identification is a far less satisfactory indicator for measuring the impact of race-related change on the parties than of the other components of change. It is more difficult to measure an alienation of the southern Democratic party from the national party leadership and policies than a general conversion to Republicanism. There has been a precipitous drop in Democratic attachments in the south over the last three decades, but without any growth of Republican identification (see Table 4). In 1968, only one southerner in five accepted the Republican label. A larger percentage of people in the south than in any other section call themselves independents, and it seems fairly certain that for many *independent* is a halfway house in a complete conversion to *Republicanism*.

TABLE 4. *Party Identification in the South, 1937-1968 (Gallup data)*

	1937	1940	1944	1948	1952	1956	1960	1964	1968
% Democrat	76	76	71	74	69	59	55	56	43
Republican	16	15	21	16	17	26	27	22	22
Independent	8	9	8	10	14	15	18	22	35

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The cities. In the 1950's and 1960's there was an enormous black migration to the urban centers, and a parallel exodus of more affluent whites to the suburbs and exurbs. The increase in street crime and riots intensified the fears and suspicions of blacks and whites. Ever more confident and politically assertive black Democrats began running candidates of their own ethnic group, or insisting upon racially responsive whites such as John V. Lindsay in New York City. White Democrats, on the other hand, responded to the racial tension by rewarding racially conservative whites (many of whom were in no sense economically conservative)—Louise Day Hicks in Boston, Mario Procaccino in New York, and Samuel Yorty in Los Angeles. Urban Democratic parties have been caught, then, in a dilemma imposed by the racial bifurcation. As long as whites and blacks are at each other's throats, it is hard to keep both in the fold.

Table 5 points up the pronounced falling away of white city dwellers from the Democratic party. Gallup data indicate that the Republicans picked up strength, while the SRC reports a large increase in the independent category. Both survey organizations show that Richard Nixon outpolled Hubert Humphrey among big city whites in the 1968 Presidential election. On the other hand, the commitment of Negroes to the Democratic party increased.

The principal threat to the continuance of a majority Democratic party, then, is not at all in the expanding circles of affluence of the suburbs, but in two old strongholds of the party: the cities and the south. And the threatening element is not the substitution of economic abundance for scarcity, but rather the greater importance of race to national politics.

TABLE 5. *Party Identification of Whites and Blacks in Cities of 100,000 and Over*

	1952	1960	1968
Gallup			
Whites			
% **Democrat**	53	49	41
Republican	22	26	30
Independent	25	25	29
Blacks			
% **Democrat**	68	55	77
Republican	12	17	4
Independent	20	28	19
SRC			
Whites			
% **Democrat**	49	52	38
Republican	28	23	21
Independent	23	25	41
Blacks			
% **Democrat**	56	62	87
Republican	20	12	3
Independent	24	26	10

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The weakening of party loyalties

For some observers, the key aspect of the new composition of the parties is not *realignment* but *decomposition.* It is not so much that social groups are finding new partisan homes; it is rather that more and more Americans are deciding to live outside parties altogether.

Dean Burnham has probably given more attention than anyone else to the erosion of party loyalties.[4] He finds a number of factors responsible, but primarily he sees it as a failure by the party elites to respond to new societal demands. He lays this failure to the new American party system itself which he sees as inherently slow to such adaptation. This nonresponsiveness of party produces partisan disaggregation. At this time, however, Burnham sees little chance of a realignment serving to "recrystallize and revitalize political parties in the American system," and thus expects partisan decomposition to continue.

This is indeed a time of extraordinary social changes, and the parties are slow to respond. This does seem to have contributed to a decline in the interest and confidence of many, especially of younger, Americans in the parties as instruments for resolving social problems. But as a long-term factor weakening party ties, the mixture of increased education and affluence, and the influence of the electronic media of communication, are perhaps more significant. The rapidly expanding college-educated middle class feels confident that it has the ability to judge candidates and issues without the guidance of party organization. The proportion of the electorate that has been exposed to college has more than doubled since 1952. Besides this, the electronic media, by steadily conveying a visual record of candi-

TABLE 6. *Party Identification by Age Groups, 1960-1968*

Age	SRC 1960	SRC 1964	SRC 1968	Gallup 1960	Gallup 1964	Gallup 1968
Under 30						
% Independent	26	32	48	24	32	40
Democrat	49	49	33	43	49	36
Republican	25	19	19	33	19	24
30-49						
% Independent	25	26	27	24	24	31
Democrat	49	52	50	44	53	40
Republican	26	22	23	32	23	29
50 and over						
% Independent	18	16	19	17	16	23
Democrat	48	54	51	43	53	42
Republican	34	30	30	40	31	35

[4] Walter Dean Burnham, *Critical Elections and the Mainsprings of American Politics* (W. W. Norton, 1970); as well as his article, "The End of American Party Politics," *Trans-action* (December, 1969), pp. 12-22.

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date style and political events, seem certain to weaken the regular attachment of the citizenry to the parties.

Since 1965 the proportion of the population who describes themselves as independents has jumped notably, with the increase especially sharp among the young. Gallup and the SRC for the first time reported independents outnumbering both Democrats and Republicans among persons 21-29. The SRC found the percentage Democratic in this age stratum in 1968 down 16 points from 1964, but the Republican share did not rise at all. Independents were up 16 points to an extraordinary 48 per cent (see Table 6). Gallup data show a somewhat more modest, but still substantial growth in the proportion of independents.

Still, a good bit of caution is in order in considering the "weakening of party loyalties" thesis. For as long as we have survey data, the proportion of independents among young voters has been substantially higher than for the electorate as a whole, reflecting a lack of time to form strong party loyalties and a generally lower level of political involvement. And some of the big increase in the late 1960's can be traced directly to the intense dissatisfaction of many Americans, especially the young, with the positions on the Vietnam war of leaders in both major parties. This contributed significantly to a short-term "deauthorization" of party leadership. The Korean war did not produce nearly the same domestic storm, but there was still a significant short-term increase in independents, as the Gallup data in Table 7 demonstrate.

In addition to the war, the assassination of two major political leaders who had exceptional strength among younger voters—John F. Kennedy and Robert F. Kennedy—temporarily detracted from the capacity of party to inspire.

Finally, on a somewhat different note, it must be remembered that the over-all increase in the proportion of independents has not been that large. Gallup reported independents 24 per cent of the

TABLE 7. *Party Identification by Age Groups, 1948-1956*

Age	1948	1951	1956
Under 30			
% Independent	27	35	24
Democrat	43	41	45
Republican	30	24	31
30-49			
% Independent	20	29	22
Democrat	47	41	45
Republican	33	30	33
50 and over			
% Independent	19	23	16
Democrat	42	38	41
Republican	39	39	43

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electorate in 1946, 30 per cent in 1968; the SRC 23 per cent in 1952 and 28 per cent in 1968.

There is a persuasive case for the party-decomposition thesis, but there is a lot of contradictory evidence as well. Our best estimate is that much of the current dissatisfaction with the major parties is strictly short-term, and will pass with changes in leaders and policies (especially, with an end to the war in Vietnam); but that what will remain is an electorate becoming gradually ever more independent of parties as active intermediaries in the political process.

Conclusions

Should we describe the parties in 1971 *primarily* in terms of change or in terms of continuity from the New Deal coalitions? Has there been a major party realignment? The question really rests on what "realignment" means. If it requires the massive conversion of voters, then we have not had it. But if the term can encompass a drastic change in the composition of the parties, brought about by sweeping transformations in the society and resulting in a distinctly different alignment of interests, then major partisan realignment has indeed taken place since the 1930's. The Democratic and Republican parties —as interest collectivities—are very different from their namesakes of the 1930's.

The Democratic party, once a coalition of the economically deprived, has been transformed into a perfectly respectable home for the new middle class. And there is ample basis for assuming that it will become more decisively the party home of the upper middle class, of the professional and managerial stratum. As Phillips and others have noted, the growth of Democratic support here is coming, not from the conversion of old-line business executives, but from the vast multiplication of newer professional and managerial positions in the technological society. These Democratic gains are important beyond the number of votes directly involved. For the professional and managerial stratum has imposing opinion-influencing capabilities; it plays the strategic role in publicly defining the political agenda. As long as this stratum is Democratic, the GOP will be cast in the role of resisting and reacting against the prevailing movement of the society rather than leading it.

The Democratic coalition of the 1930's was an alliance of "little guys," and thereby populistic in tone. But it is precisely here that the party now is most vulnerable, as the new ethnic frontier cuts into its strength among whites in the south and in the cities. Black

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Americans supported the party by a relatively modest margin in the 1930's but became almost exclusively Democratic in the 1960's. Should the Democrats nevertheless lose their majority status in the cities and in the south, and the surveys show clearly that they have not so far, they will lose it through the defection of marginal whites. The principal Republican attack on the coherence of the Democratic party will be populistic. It is hardly accidental that in the 1960's, with Goldwater and Nixon, the Republicans adopted a neopopulistic rhetoric.

The future position of the Democratic and Republican parties will be affected by decisions not yet made and by events which have not yet happened, so prophecy is hazardous. Still, our examination of the directions of change in the composition of the coalitions from the New Deal to the present leads us to expect a continuation of Democratic ascendancy. From its base in the professional and managerial stratum, with the often reluctant allegiance of the black underclass, with support based on the persistence of Democratic loyalties, with impressive media backing for its programs, with judicious manipulations of public policy to meet various constituency needs, the Democrats should continue as the "sun"—although not the "sun" that rose with Roosevelt.

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Public goods and private status

R. JOSEPH MONSEN & ANTHONY DOWNS

In the past few years, many Americans have come to believe that our society allocates a disproportionate amount of its resources to private goods. John Kenneth Galbraith and others (preceded by Matthew Arnold in *Culture and Anarchy* a century ago) have repeatedly argued that our society is "privately rich but publicly poor." The chief villain behind this "misallocation" of resources, according to most versions of this argument, is the large business corporation. Business is portrayed as using clever and nefarious advertising techniques to manipulate the desires of consumers so that they buy private goods and services they do not really need or want. We believe this argument is misleading, for it obscures a more fundamental factor underlying the present allocation of goods between the public and private sectors.

In this article, we challenge the thesis that consumers are the unwitting pawns of corporate sales strategies (at least where false and deceptive information is not employed). We contend, rather, that consumer behavior is motivated by the desire for emulation and differentiation, and that consumers want to create visible distinctions between large social groups or classes, and, within such groups, more subtle distinctions of individuality. The most effective way to establish such distinctions is through their styles of consumption. This

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desire, moreover, appears to be an intrinsic part of man's character, evident to at least some degree in all societies, past and present. We regard this desire as so fundamental that it can be considered a "law" of human nature.

Where individuals can control the allocation of resources, goods are used as "status badges" to exhibit this differentiation. It is precisely for this reason that public goods—or more specifically *government*-produced or distributed goods are affected.[1] Government goods are designed with an eye to uniformity. (The standardization of Army rifles is the most evident case in point.) Such goods are easier to produce and administer by the bureaucracy, and they accord with the ideal of equality which underlies the distribution of government goods. But by that very nature, such goods cannot be used easily for status differentiation which is a major function of most goods in advanced industrial societies. People would rather spend their income in those ways in which they can derive some personal status benefit. Most government goods do not provide such benefits. Hence in decisions influenced by consumers, government goods suffer in contrast to private goods. The "misallocation," we would argue, is not due to corporate manipulation but to consumer preference operating in accord with the "law" of consumer differentiation.

In this essay, we want to explore two arguments: first, the nature of consumer preferences, or: is the consumer the seducer or the seduced? Second, because we conclude that it is the consumer who is the seducer, we argue that designing government goods to accommodate this basic desire for consumer differentiation would significantly increase investment in those goods and would help meet the criticism of a "privately rich but publicly poor economy."

I. The "Law of Consumer Differentiation"

All consumer goods have two basically different functions: the *direct satisfaction of utility*, and the *communication of status information to others*. The relative importance of these two functions to a given consumer depends upon a number of different factors. The

[1] We use the term *government goods* rather than *public goods* because most economic theorists consider a good as purely *public* only if it produces indivisible benefits. That is, greater consumption of it by any one or more consumers does not result in lesser consumption by others, because by its very nature no one can be excluded from enjoying its benefits once it exists. The classic example is national defense. However, our analysis concerns a much broader set of goods and services than the one corresponding to this narrow definition. Hence we use the broader term *government goods* throughout.

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most important is the level of income. The higher the income above basic "subsistence," (which was once biological and is now largely cultural or psychological) the greater the relative importance of the status badges of the goods he consumes.

The "Law of Consumer Differentiation" states that, in every culture, most people want to differentiate themselves from at least some others through the use of visible symbols, either to express status or individuality. This "law" was central to Veblen's idea of "pecuniary emulation." As Veblen stated it:

> With the exception of the instinct of self-preservation, the propensity for emulation is probably the strongest and most alert and persistent of the economic motives proper. In an industrial community this propensity for emulation expresses itself in pecuniary emulation; and this, so far as regards the Western civilized communities of the present, is virtually equivalent to saying that it expresses itself in some form of conspicuous waste.[2]

Although Veblen here notes people's basic desire to be *like others* "above" them, one can add the obvious corollary, people also wish to be *unlike* other classes or groups they consider *"inferior."* Another kind of differentiation involves the desire to express *individuality within* some larger group or social class by establishing additional distinctions—usually more subtle ones—among sub-groups or individuals. Thus, many young people of middle-class background move away from middle-class "materialism" and seek new forms of status differentiation in the use of drugs, new sex customs, or shabby dress.

At low income levels, especially near subsistence, goods are often valued, necessarily, for their function rather than their status. But as the wealth of any given consumer increases, he pays more attention to the status-communication function of goods. Economists have long argued that for a given consumer, the more he consumes of any good, the less added satisfaction the good supplies (hence the "law" of diminishing marginal utility). Traditionally, this decline has been attributed largely to his satiation with the goods' direct utility, in comparison with other goods he has not yet consumed so fully.

We believe this fall-off in marginal utility (satisfaction) also occurs if the good becomes less effective than other alternatives as a communicator or bestower of status. The *diminishing marginal status-communication* effect is caused, essentially, by what Veblen called the emulation drive toward status-conferring goods. New and expensive goods are marks of high status. Sometimes an inexpensive

[2] Thorstein Veblen, *The Theory of the Leisure Class*, 1899.

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good, such as a paper dress, can impart status momentarily while it is still very new and scarce. But inexpensive goods are rapidly copied and disseminated in quantity. Even expensive goods are eventually copied and cheaper versions are sold widely so that they lose their symbolic differentiating value to the upper classes.[3] The longer it takes to create and distribute such low-cost imitations, the longer the goods concerned retain their status-giving value.

In short, the status-communication function of goods is used to establish *personal individuality* as well as *class identification*. Patterns of consumption take on differentiating characteristics *within* a given social class as well as between classes. This means that consumer differentiation may remain a significant motive for consumption even in societies where class differentiation and class-striving are not strong—so long as individual expression is given a high value and pressures for conformity are not too overpowering.

II. The question of advertising

Rational consumers seek to "economize" the scarce resources needed in acquiring and using consumer goods. One of the most crucial of these scarce resources is *time*. It takes time to decide what goods to obtain and where to get them. Moreover, the desire to differentiate through consumer goods makes consumption more complex than it would otherwise be, so that deciding what goods will aid in such differentiation takes even more time.

Any information that saves time in this process helps consumers act more efficiently. Advertising performs a positive and useful function by providing such information. This hardly proves that *all* advertising is functional. But it does indicate that *a relatively complex system of advertising is undoubtedly required by consumers' basic desires in an advanced industrial society with a wide range of consumer goods.*

Moreover, it is quite rational for advertising to concentrate on goods that are at least purported to be "new" for two reasons. First, consumers presumably already know something about "old" things. Second, new goods have a higher status-conferring value than old ones—unless, of course, the old goods are old enough to be rare or scarce.

[3] Dwight E. Robinson, "The Economics of Fashion Demand," *Quarterly Journal of Economics*, Vol. 75 (August 1961). Robinson, who is the leading specialist on this topic, has assembled considerable data on the fashion-cycle thesis. He explains that goods lose their *demonstrable rarity* as they become more common and plentiful.

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We disagree with the Galbraith argument that fads and fashions are solely or even mainly created by producers. Differentiation is unquestionably promoted and strengthened by advertising. Particular fads and fashions are pushed by competitive producers for their own profit; and not all fads, fashions and styles are morally beneficial, or even morally neutral. But fads and fashion and style are not mere "gimmicks"; they have a *raison d'être* in the deep-rooted desire for differentiation.

III. The role of government goods

A large portion of consumer income is "spent" on goods and services that are distributed by the public sector. More precisely, this income, through taxes, supports activities carried out by governments, or pays for the goods and services which are purchased from private producers and are then publicly distributed.

The method of distributing government goods conforms to certain basic rules in public agencies, rules of a strong egalitarian flavor because they embody the principle of non-discrimination among individuals. True, many government goods are differentially distributed to *classes* of individuals (i.e., farmers vs. non-farmers, importers of steel vs. domestic producers, etc.), but such discrimination rarely coincides closely with the kinds of *social class* distinctions that consumers, as private citizens, seek to develop through differentiated consumption. While many public policies are explicitly designed to benefit certain social classes—welfare payments help the poor, and deductibility of business entertainment expenses from federal income taxes helps the rich—most government goods, whether distributed equally or discriminatingly are ineffective in satisfying consumers' desire to distinguish themselves through consumption. Put in another way—the types of differentiation and non-uniformity associated with such goods are rarely effective as means of displaying individual or class status. Public housing projects exhibit different architectural styles; but few of their residents gain much personal or group prestige from this fact, and within each project very little differentiation among units is allowed or possible. Local communities often use different types of sewage disposal plants, fire engines, property assessment techniques, police communications systems, water purification methods, etc. But these differences do not provide any basis for residents to gain either collective or individual status. And, of course, in many cases requirements for strict uniformity remove *all* chances for status differentiation from government goods. No in-

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dividual driver on an expressway can gain much personal prestige from its design or efficiency; no social security recipient can get more money than the rules provide for others in his or her situation; and no patient in a state hospital can arrange for accommodations conferring unusual status.

This relative disadvantage of government goods (as usually designed) comes on top of several other drawbacks when compared to private goods as objects of consumption. One is the absence of a direct *quid pro quo* between what is paid for (via taxes or inflation) and what is received. When the consumer receives a government good he usually is not directly confronted with the cost of providing it to him, as he is in a private market. Consequently, when it is time to pay taxes he may not realize the cost of the benefits he demands from his government.

Another related drawback of government goods is that consumers pay for them in packages (various taxes) which lump together the costs of thousands of different government goods and services. Consequently, each consumer cannot avoid paying for things he does *not* want (such as particular programs that benefit others but not him) at the same time that he pays for things he wants. In reality, he usually receives the benefits he wants in part because his political representatives have obtained support for them through a log-rolling process that requires them to support programs he does not like. But the obscurity of the political process does not force him to face this fact. Hence every consumer can—and does—conclude that his total payment for government goods could be drastically reduced if only all the goods he personally does not want were eliminated from the package he must buy. Such package payment does not apply to most private goods (except that advertising costs are lumped into private prices). Therefore, each consumer seems to get much more undiluted personal benefit from every dollar he spends on private goods than on government goods.[4]

We have deliberately digressed to describe these other relative disadvantages of government goods. We do so to emphasize that the inability to help consumers achieve differentiated social status is not the only reason, or even the major reason, why consumers are biased against government goods. Yet we believe it is a significant one.

[4] The idea of group pride can be invoked, in particular circumstances, of course, as with the space program. But the costs there were not broken down and made a matter of national public vote where voters could see what it would cost them. If all public expenditures were subject to public referendum, there would certainly be a different distribution (and a lower total) of public expenditures at all governmental levels than now exists—and probably a lower total tax bill, as well.

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The second corollary of our earlier conclusion is that consumers are more willing to procure those government goods which can communicate differentiation in social status than those which cannot provide such communication, other things being equal. This principle implies that there are more people seeking to rise socially by differentiation than there are people "at the bottom of the heap" who want to avoid differentiation because it stigmatizes them as having low status.

IV. A basic conflict of objectives

Public education is an example of the arrangement of government goods that supports consumer differentiation in the United States. Public school systems in most metropolitan areas outside the large central cities are operated by relatively small school districts. Residents of many such districts—especially in primarily middle-income and upper-income areas—regard their school systems as important status differentiators in relation to school systems in lower-status areas—particularly those within the central city. These higher-status residents lavish relatively large expenditures on their schools. They do so in spite of the fact that recent evidence suggests that scholastic achievement in such schools depends upon the socioeconomic backgrounds of the families concerned rather than the level of spending per pupil. Certainly one motive for such spending is that most parents *believe* higher expenditures for better teachers, buildings, and facilities in fact improve educational attainment. But another motive stems from the fact that the reputed "quality" of local schools is a key ingredient in establishing the status of any residential area. This occurs precisely because private spending goes for a government good capable of being provided on a differentiated basis (neighborhood by neighborhood, or district by district).

If all the schools in an entire metropolitan area were financed equally out of one huge district, then such differentiation of expenditure would be harder to achieve, or perhaps impossible (depending upon the specific principles used to allocate funds among schools). In our opinion, *total spending on schools under such circumstances would probably fall.* Parents in each sub-area would be unable to improve facilities or change the student-teacher ratio (and hence the reputation and status of their local school) by increasing expenditures, for any such increase would be diluted by being divided among all schools equally. They therefore would have no interest in increasing such expenditures on education.

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Another example of a government good affected by consumer differentiation is the space program. In this case, the United States sought to increase national status by beating the Russians to the moon. The government was willing to support enormous expenditures to achieve that goal. By converting this essentially scientific mission into a giant *status competition* with another nation, the supporters of the space program clearly stimulated far more spending on this program than would have occurred if the Russians had stopped exploring space after Sputnik I. Here we have a form of "public advertising" stimulated by international competition.

The preceding discussion reveals a basic conflict in our society between two fundamental public objectives. One is helping consumers achieve their private goals through public action, including the goal of differentiating themselves in status through the ways they consume certain goods. The other is achieving greater equality among all citizens.

The concept of *equality* has at least three different means in American ideals: (1) identical results; (2) identical treatment by public agencies of persons in similar circumstances, regardless of their personal characteristics; and (3) provision of equivalent opportunities or settings in which individual choice can be exercised. To some degree, all three concepts conflict with consumer differentiation via government goods.

Clearly, people seeking to raise themselves in social status above others by consuming differently do not want those others to achieve consumption results identical with their own. Hence they oppose the first kind of equality. They may also seek to avoid identical treatment by public agencies through having public policy closely tied to certain characteristics which are definitely not equally distributed (such as income, geographic location, ethnic character, or property ownership). This form of consumer differentiation evades the concept of equality as identical treatment for persons in similar circumstances by defining basically similar circumstances as *dis*similar because of focus on marginal aspects of the situation.

The degree of conflict between consumer differentiation and equality of opportunity is not quite so direct. In theory, people with equal opportunities for achievement might voluntarily differentiate themselves by making diversified choices about how to develop their own lives, including their patterns of consumption. Therefore, equality of opportunity is certainly compatible with individual differentiation *within* a given social class. Moreover, it is even conceivable that certain people in a large group whose members all

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started with equal opportunity might deliberately choose low-status patterns of consumption relative to the remainder of the group. Nevertheless, we believe there is a definite conflict between equality of opportunity in general and consumer differentiation *among* social-status groups. To put it bluntly, members of higher status groups do not want all those with lower status to achieve equal status with themselves. For example, this is true of lower-middle class blue-collar workers in relation to lower-class citizens, and of upper-class members in relation to upper-middle class citizens. Hence they oppose equal opportunity if it is likely to lead to that result. This desire is often disguised or may even be unconscious because it seems so "un-American" when stated openly. Nevertheless, it certainly influences the behavior of many citizens regarding both private goods and public policies.

V. Some public policy implications

In view of this basic conflict between ideas of greater equality and the desire for consumer differentiation, many policies which effectively further one will discourage the other. At present, strong ideological and other pressures exist in our society towards greater equality in the distribution of incomes as well as in access to quality employment, housing, education, and other amenities by minority-group members. Insofar as consumer differentiation discourages these outcomes, it is vigorously opposed by advocates of greater equality. Such advocates often seek policy changes that would weaken consumer differentiation precisely because those changes would promote equality. An example is the desire of some educators for a single state-wide standard of expenditure per pupil in public schools, which would prevent wealthy suburbs from lavishing huge sums on their students while slum students attend dilapidated, overcrowded schools. Undoubtedly, such direct assaults on consumer differentiation through government goods will be required if greater equality is to be attained. But it would be naive for advocates of increased equality to suppose they can suppress the desire for consumer differentiation entirely, even in reference to government goods. Moreover, insofar as such advocates succeed in making it impossible for consumers to differentiate themselves through some government good, *they may actually reduce total spending on that good.* Instead of achieving greater equality by raising everyone towards the highest existing level of spending on that good, they may achieve it by both (a) reducing the *average* level of spending close to the present minimum

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level and (b) driving many present consumers of that government good to seek similar benefits from some other source which still allows them to differentiate themselves. (In this case, many would support private schools.)

In light of this possible outcome, it is desirable to design some policies that would *use* the desire for consumer differentiation to further other public objectives. Once we think along these lines, it is clear that certain approaches to government goods might actually channel the force of this desire to stimulate other positive benefits—or at least guide it so as to ameliorate some of its inequality-furthering effects. These approaches might include the following:

1. If we desire more government goods to be produced, we should consider designing them to permit consumer differentiation, thereby increasing public support for them. For example, instead of having public college dormitory units all built to the same floor plan, officials could encourage a wide variety of types of units at different price levels to student residents, and even with differing rules and regulations governing their occupants. Similarly, publicly-assisted housing in general could be offered in a wide variety of formats, with a range of subsidy levels, unit sizes, building sizes, and locations.

2. It is important to remove from the public sector those goods which do not need to be distributed by the government. Only those goods and services that fully fit into one of the following categories need be provided by the government sector:

a. Those necessary to maintain minimum standards of health, welfare (income), and education.
b. Those inherently requiring full equality of distribution (such as justice, police and fire protection, and defense).
c. Those functions that cannot be performed adequately by market-oriented organizations because they involve external costs or benefits not reflected in the market price.
d. Those functions that, for technical reasons, must be monopolies (such as telephone companies).
e. Those operations of government itself which cannot effectively utilize the market (i.e., the Treasury Department and the General Services Administration).

Postal services are typical of the functions that could be (and recently have been) removed from the government sector with possibly increased efficiency.

3. Closely related to the above point, but deserving specific mention, is the consideration of the *mix* of government goods at any *level* of public support. Thus, given present tax levels, a completely

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different mix of government activities (such as less defense and more education and subsidized housing) might provide a higher level of public support for welfare. The critical factor in determining government priorities is basically political leadership. The mix of government goods is a political decision. Many critics argue, therefore, that reconsidering the mix is more important in our society today than merely increasing the current levels of goods and services.

4. A diversity of different communities should be maintained in each metropolitan area, with at least some variability among these communities concerning the quality of public services (and corresponding tax bills) offered to their residents. This tactic opposes the idea of a single, monolithic, and uniform metropolitan government for everyone in a large metropolitan area. True, many existing communities in such areas are far too small for efficient operations, and should be merged with others. Moreover, *some* types of public decisions clearly should be made from a broad perspective encompassing a wide area, rather than by individual communities. Nonetheless, we also believe there are many sound reasons why complete abolition of differences between suburbs within a metropolitan area would be a mistake. At least some variety in basic levels of public service provides an outlet for the pervasive desire among consumers to differentiate themselves. This outlet will tend to increase the interest of most consumers in the nature of their local governments. It may also cause total spending on such governments to exceed what it would be in the absence of such differentiation, though this conclusion is admittedly an equivocal one. This support of differentiation among suburbs need not refer to all aspects of suburban life. It is therefore consistent with the concept of creating a minimum level of certain public services in all parts of society and perhaps even an equal level concerning some basic necessities.

5. Much greater use should be made of honorary and even monetary rewards for public service which socially differentiate their recipients, thereby encouraging greater competition for receipt of those rewards. It is perhaps unfortunate that the Constitution thoroughly discourages the use of titles as differentiating devices, even on a nonhereditary basis. They form an inexpensive means of rewarding "virtue" and encouraging at least some competition for public recognition through the performance of meritorious public services. Greater emphasis on similar types of recognition for public service might evoke a significant amount of effort beneficial to the society. To achieve this result, such recognition must be built up to the point where it indeed confers significant status upon its recipients.

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6. We should place much more emphasis upon competition among communities for excellence in creating and maintaining high standards of civic life. If given really significant local and national recognition, such competition might strongly stimulate local efforts to achieve good schools, efficient government, beautiful and well-planned urban and suburban environments, low crime rates, and slum-less cities. Existing rivalries between Dallas and Fort Worth, Minneapolis and St. Paul, and San Francisco and Los Angeles have already been used successfully to develop certain major public projects. If local city pride can persuade citizens to subsidize major athletic stadiums, there is no reason it cannot be used to attain far more significant goals too.

7. Private producers of goods and services should be used as purveyors of government goods in order to encourage greater diversity of products than is likely to emerge from services produced or fully controlled by a public bureaucracy. Government officials have a strong urge to make their outputs to the public uniform rather than diversified. Doing so is administratively simpler, and it shields them from the accusation of partiality or favoritism in dispensing services. Hence one of the greatest advantages of encouraging producers from the private sector to provide government goods directly is that this creates an opportunity to introduce much greater diversification into such goods. In the first place, a variety of private producers can be used, and much of the control left to the discretion of each (as in the design of public housing units). Second, private producers are much more sensitive to the desires of their consumers because they normally operate in markets where purchases are wholly voluntary. Hence private producers have a natural inclination to accommodate their outputs to the variety of tastes and needs that exists in every market, rather than compelling consumers to adapt themselves to a uniform product, as public officials normally do.

8. International competition concerning certain characteristics related to domestic welfare should be encouraged rather than that related to international power or military prestige. The Olympic games provide a source of competition which appeals to status-conscious citizens in many countries. Hence they advance far more support for their national athletes than they would in the absence of such a status competition. It would be highly desirable to transfer this national pride from armaments, winning wars, and reaching the moon to such domestic programs as eliminating slums, creating beautiful cities, providing financial aid to the most destitute, reducing the infant mortality rate, building great universities, and raising

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the quality of cultural products like ballet and the theater. Then we might tap the energies of consumer differentiation in a far more wholesome manner.

Undoubtedly, there are other ways in which the inherent striving for differential social status among consumers can be directed so as to further widely-accepted public goals unrelated to social status *per se*. We hope others will be devised and suggested. For the basic human desire to differentiate oneself in social status through patterns of consumption can never be fully suppressed or opposed. Experience in socialist countries clearly confirms this conclusion. Hence the need to adapt that all-too-human desire to the providing of government goods becomes more acute as society becomes more complex and requires more such goods for efficient functioning. Failure to recognize this need is one of the factors underlying the widespread view that modern consumers are biased against the public sector in favor of the private sector. In part, this outcome is simply a result of their bias in favor of status-differentiating forms of consumption as opposed to status-equalizing or non-differentiating forms of consumption. Rather than accusing private producers of duping consumers into this type of behavior, we should recognize its cause as rooted in the consumers themselves. Such recognition will then allow us to take account of this bias in designing the forms in which government goods are offered to consumers in competition with private goods. This, in turn, should help society come closer to achieving the "correct" allocation of resources between the private and government sectors.

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The Health Care Muddle

EDITOR'S NOTE:—*Just about everyone who expresses an opinion on the subject seems to agree that we're going to have to do something about the way medical care is distributed, priced, and paid for. The question is: What to do?*

There are three main schools of thought. One, led by Senator Kennedy and the AFL-CIO, advocates universal comprehensive national health insurance, to be paid for by employees, employers, and the federal government in combination. It would cost between $53 and $77 billion annually and, with minor exceptions, would cover the entire health bill of every citizen. A second approach is to expand the coverage of existing private health insurance plans by means of a tax-credit incentive while subsidizing directly the health bills of the poor. These are the essential features of the AMA's "Medicredit" proposal, which would cost perhaps $16 billion annually. The third school of thought holds that, whatever method of insurance is adopted, its form should also encourage hospitals and doctors to economize. Usually, this involves three features: complete coverage for expenses incurred by catastrophic illness; a "deductible" feature, by which the patient pays all of the first $100 or $200, or whatever, of the bill; and a co-insurance feature, by which the patient pays a fraction of the costs up to some limit (in the President's program, it is $5,000). President Nixon's plan borrows from this third approach.

In the pages that follow, Martin Feldstein and Vincent Taylor and Joseph Newhouse outline the dilemmas that plague any scheme of health insurance and offer some proposals for resolving them.

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How shall we pay for hospital care?

JOSEPH P. NEWHOUSE & VINCENT TAYLOR

MONTH after month, the rising cost of medical care has led the consumer price index to new highs. In the wake of these increases, a lively public debate has ensued. Participants have identified numerous villains—"fee-gouging" physicians, the nation's "anarchic" hospital system, and "avaricious" drug companies—and suggested numerous cures. In order to stop the escalation of medical costs, it has been proposed that we audit the tax returns of physicians who receive more than a specified amount from Medicare and Medicaid, subject all hospitals to central planning as a precondition for reimbursement under public insurance programs, and reduce the patent protection which drug companies enjoy. Yet all such proposals are incapable of achieving their goal because the reasoning on which they are based ignores the central cause of the high and rising price of medical care.

Elementary economics teaches that if demand for a commodity increases and supply does not respond immediately, price will tend to rise. This is precisely the situation in health care. The implementation of Medicare and Medicaid in 1967 created a large increase in demand for medical care. Medical experts complained about shortages of skilled personnel before these programs came into existence. Medicare and Medicaid, which added billions of dollars to

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demand, worsened this manpower shortage, and the rate of price increase jumped dramatically in response. From an average annual increase of 3.2 per cent during fiscal years 1961-1966, the rise of physicians' fees jumped to 7.5 per cent in FY 1967; 6.1 per cent in 1968, and 6.7 per cent in 1969. Hospital daily service charges went up even more sharply. From a 1961-1966 average rate of increase of 6.4 per cent a year, they rose by 16.6 per cent in FY 1967, 15.4 per cent in FY 1968, and 14.5 per cent in FY 1969.[1]

Obviously, helping the consumer meet the high and rising cost of health care is one problem that public policy must solve. But a related problem must also be faced. Rising prices are a signal that consumers wish more resources to be devoted to medical care; in the long run, the supply of medical resources can be expected to respond to this signal. More kidney dialysis machines can be built, more nurses can be trained, and so forth. When and if supply responds to increased demand, the rate of price increase will go down. But we will pay for this achievement by having a larger share of our productive resources devoted to medical care and a lesser share to other goods and services. How far should this trade-off be carried? At some point we will arrive at an optimal proportion of medical care to other goods, beyond which we would not wish to give up still more housing or education to obtain more medical care. How can that proportion be determined? And does the way we finance medical care affect our ability to arrive at that proportion?

The changing pattern of demand

The rising demand for medical care is easily documented. Table 1 shows total and per capita expenditures on medical care in current and constant dollars. These have risen steadily, indicating that the

TABLE 1. *Medical care expenditure, 1940-1969.*

FISCAL YEAR	TOTAL DOLLAR AMOUNT IN BILLIONS OF CURRENT DOLLARS	TOTAL DOLLAR AMOUNT IN BILLIONS OF 1957-59 DOLLARS	PER CAPITA (IN 1957-59 DOLLARS)
1940	3.5	7.0	53.48
1950	10.5	14.4	96.45
1960	23.2	21.8	122.59
1965	33.5	27.7	144.74
1969	52.6	35.1	175.64

Source: Social Security Administration, Office of Research and Statistics, note no. 18, 1969; and *Monthly Labor Review*. The Consumer Price Index of Medical Care has been used to deflate current expenditures.

[1] Calculated from data in the *Monthly Labor Review*.

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output of medical care services has expanded in response to increasing demand. What is true of medical care generally is also true of hospital services in particular. As Table 2 shows, expenses per patient day and the number of patient days both have been increasing over time, reinforcing the contribution that each one separately makes to rising hospital expenditures.

TABLE 2. *Contribution of expense per patient day and patient days to increased hospital expenditure, 1965-1968.*

YEAR	EXPENDITURES IN SHORT-TERM GENERAL HOSPITALS, (IN BILLIONS OF DOLLARS)	EXPENSE PER PATIENT DAY	PATIENT DAYS (MILLIONS)
1950	2.1	$15.62	135.0
1960	5.6	32.23	174.6
1965	9.1	44.48	205.6
1968	14.2	61.38	230.7

Source: *Hospitals*, 1968, 1969, years ending in September.

It is clear that the spread of medical insurance has contributed to the rising demand for medical care by lowering the price the consumer pays for a given medical service. Many observers believe that such insurance should have little effect. They argue that the consumption of medical care does not respond to changes in its cost to the individual: if you're sick, you go to the doctor; if you're not, you don't. Yet the evidence contradicts this view. For example, in fiscal year 1965, before Medicare and Medicaid, visits to a physician per person per year varied directly with income class. In fiscal 1967, the first year of Medicare and Medicaid, this pattern changed radically, and those whose incomes were under $3,000 had as many visits as the highest income class (over $10,000). This change was caused by the new federal insurance programs, which were aimed at the poor and the aged and which obviously succeeded in lowering the economic barriers that formerly prevented low-income families from obtaining health care.

Private health insurance coverage has also been spreading, and the proportion of consumers' health costs covered by out-of-pocket funds has been falling. Table 3 shows the sources of funds for personal health care expenditures. Note particularly that the percentage of expenditure covered by direct payments from individuals, which has fallen steadily since 1929, underwent an especially sharp reduction after the introduction of Medicare and Medicaid. After 1965 the share of government rose considerably, while the share of expenditure covered by private insurance (which had grown rapidly until 1965) dropped only slightly. This implies that Medicare and

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Medicaid have been doing what they were supposed to do—namely, assisting individuals whose private insurance coverage was scanty or nonexistent.

TABLE 3. *Sources for personal health care expenditures.*

FISCAL YEAR	DIRECT PERSONAL PAYMENTS	PRIVATE INSURANCE AND OTHER	PUBLIC SOURCES—FEDERAL, STATE & LOCAL
1929	88.6%	2.8%	8.6%
1940	82.8	2.3	14.9
1950	67.7	12.3	19.9
1960	56.3	22.4	21.2
1965	56.3	26.7	20.8
1969	40.6	23.8	35.6

Source: Social Security Administration, Office of Research and Statistics, note no. 18, 1969.

The consequences of health insurance

The benefits of medical insurance, both public and private, are widely appreciated. Consumers receive protection against the risk of large, unpredictable medical expenditures, and low-income people are assured of medical care regardless of their ability to pay.

But health insurance also has certain undesirable side effects. First, by increasing demand, it tends to raise prices. If a shortage situation already exists, widespread introduction of insurance coverage will tend to aggravate an already inflationary situation. This happens because *insurance shelters people from the full impact of price rises and thus greatly diminishes the normal tendency of rising prices to curtail demand.* The magnitude of the rise in price required to curtail demand to a given degree increases directly with the extent of insurance coverage. At the extreme, if all expenses were covered by insurance, price increases would be completely ineffective in reducing demand. All readjustment would have to come through increases in supply or through increased waiting periods great enough to persuade consumers to forgo the service. Because the supply of medical services does not adjust quickly to price increases, widespread medical insurance can greatly increase inflationary tendencies in the medical sector.

Thus, when a large increment of insurance coverage is added during a period of shortage—and that is what happened in 1967—there is a two-fold inflationary impact. Demand for medical services increases, and the ability of price increases to curtail demand diminishes. It is not necessarily true that the resulting higher insurance premiums will reduce demand for insurance. On the contrary, the risk of remaining uninsured may make insurance seem even

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more attractive, creating a vicious circle. This is well illustrated by the current drive for National Health Insurance, which gained major impetus from the medical inflation caused by Medicare and Medicaid.

Medical insurance also contributes to inflation by reducing consumers' concern for the cost of the care they receive. This lack of concern has a number of repercussions. If consumers don't worry about costs, providers don't either. Hospitals don't suffer if their management is lackadaisical about cost-control or if unnecessary services are added. Insurance also removes an important restraining influence on the physician. When the patient pays the bill, physicians generally give careful consideration to the costs of alternative courses of treatment and attempt to choose the cheapest medically-acceptable one. A physician must also be concerned about whether his fee will be acceptable to the patient or cause the patient to seek care elsewhere. When insurance is paying the bill, neither of these factors is important.

Indeed, insurance actually causes consumers to prefer care that is overly expensive. If it costs them nothing personally, people will demand the best of everything, regardless of its effects on their chances of recovery or of its cost. When insurance is paying the bill, patients' desires to be comfortable and to receive the most sophisticated care are not appropriately counterbalanced by a concern for the impact on their pocketbooks. The desire of patients for the latest equipment and services coincides with the desires of the medical staffs of most hospitals. Thus, hospitals that want to remain competitive in attracting medical staff and patients must respond to these pressures for "more and better" hospital services. Their response results in an increase in inputs per patient day.

Hospital officials generally place most of the blame for their price increases on the rising cost of inputs, particularly labor. It is quite true that hospitals have had to increase wages in order to attract additional labor to meet increased demand, but the rise in input prices does not entirely explain the rise in hospital prices. From 1955-1965, for example, the price of hospital inputs rose about 3.5 per cent per year, while cost per patient day rose 6.7 per cent per year. Thus, almost half of the increase in per patient day costs were due to a rise in the *volume* of inputs rather than to a rise in the *price* of inputs. Our calculations show that this pattern continued to hold in the years after 1965.[2] And as for total expenditures on hospital

[2] Vincent Taylor, "The Price of Hospital Care," P-4090, The Rand Corporation (Santa Monica, California, May 1969).

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care from 1965-1969, input price increases account for only one-third of the increase. The remainder is attributable to increased inputs per patient day and an increased number of patient days. The tired scapegoat of "rising wages for hospital employees" thus tells only part of the story.

Finding a substitute for sales resistance

Eliminating the consumer of medical care as a force for economy would not be so harmful if insurance organizations substituted effective forces of their own. The Medicare and Medicaid programs are perhaps the most active of the nation's insurance plans in pressing for economy. They attempt to control costs through utilization review in hospitals, re-certification of hospital patients after specified lengths of stay, and review of physician charges for reasonableness and to detect fraud. Although such measures may prevent blatant abuses, they fall short of providing a forceful spur toward economy. The consumer is an effective force in the marketplace because in general he spends his dollars where he gets the most value for his money. If insurance organizations are to be equally effective, they must give incentives to the providers of medical services similar to those which face producers of other goods. That is, *insurance payments should reward those who produce acceptable care at below average costs and penalize those who fall short of acceptable standards.*

Most insurance reimbursement procedures, including those of Medicare and Medicaid, currently provide no rewards or incentives for improved economy. Physicians are paid for the services they render provided that their fees meet rather loose standards. Physicians or groups who are able to provide good care at lower total cost do not gain anything by providing it; if they cut expenses by 20 per cent, the amount they are paid drops by 20 per cent. Given this situation, they have no reason to conserve on expenses. The same is true of hospitals.

The need to increase pressures for economy in the medical sector is generally recognized. The approaches most commonly advanced involve increased regulation in the hospital sector and the establishment of maximum permissible fees for physicians. Yet although they are clear in concept, these approaches are difficult to implement in ways that succeed in encouraging authentic economizing.

Regulation has historically protected the status quo, discouraged competition, and impeded innovation. Given the special difficulty

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of measuring the efficiency and quality of hospitals, direct regulation in the hospital sector seems an especially unpromising way of achieving the desired results.

Setting maximum fees for physicians may help to eliminate some abuses, but it, too, seems an improbable strategy for achieving extensive savings. If the maximums are based on prevailing fees, they will not lower the average payment greatly. If physicians are permitted to raise their "usual and customary" fees (as they now are by Medicare), regulatory efforts may even have the perverse effect of increasing average fees. And if they are set unrealistically low, physicians will either withdraw from the insurance plans having such maximums or find means of circumventing them. Given the current excess demand for physicians' services, it will be extremely difficult to prevent fees from continuing to rise by administrative fiat. Nor is it feasible to solve the problem of excess demand by increasing the number of physicians. The arithmetic of the situation is such that huge increases in the annual production of physicians (e.g., 8,000 additional physicians, or a 100 per cent increase) will affect the total supply (300,000 physicians) only slowly.

A more promising approach, stressed by the National Advisory Commission on Health Manpower in 1967, is for insurance organizations to provide incentives to economize by restructuring their payment schedule so that the most efficient producers of care receive the greatest net income. If such incentive payment plans can be developed successfully, they may provide the impetus necessary for the expansion of more efficient forms of medical care delivery. In the absence of more powerful incentives for economy, current government efforts to encourage the expansion of more efficient forms of medical care delivery, such as pre-paid group practice, appear unlikely to succeed. Physicians, hospitals, and patients are too comfortable with the present "non-system." It is striking that in spite of the remarkable success of the Kaiser Health Plan (2 million subscribers, 10 per cent annual growth), very few imitators have appeared during the three decades of its existence.

Although incentive payment plans appear to be potentially better than present reimbursement methods, they are not without problems. All of the proposed incentive approaches involve establishing "target costs" or "reasonable prices" and penalizing or rewarding providers of health care according to whether they exceed or come under these targets. A major and perhaps fatal difficulty in these plans lies in the setting of target costs. No two hospitals or groups provide exactly the same services or treat the same mix of patients.

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How does one allow for such differences in setting targets? Modern statistical techniques can help with the answer, but they are not free of error, and the cost of error in this case could be large. Moreover, this approach to encouraging efficiency ignores the demands of consumers. If, for example, individuals living near a hospital are willing to support a high-cost inefficient hospital because it is convenient or because they are familiar with it, why should it be forced out of business?[3]

Moreover, none of these approaches deals satisfactorily with achieving the appropriate trade-off between medical care and other goods, a problem which will become increasingly important as the technological capabilities of medicine expand. Making an expensive good "free" to consumers will not necessarily make them better off; in fact, it will, in general, make them worse off. Suppose that the government decreed that all automobiles would henceforth cost $100 and that it would make up the difference between $100 and the automobile's real cost. Most consumers would demand Cadillac-quality cars, because a Cadillac would be no more expensive than a Volkswagen to any individual consumer. We would also expect the cost of producing Cadillac-quality cars to rise if only styling, convenience, and quality concerned the consumers, not the cost of these features. Producers would therefore have little reason to control costs or to strive for greater efficiency. Consumers in the aggregate would be worse off for two reasons. First, as demand for Cadillacs rose, society's resources would flow from production of other goods and services into automobile production, reducing the amount of other goods and services. Since aggregate demand for Cadillacs would not be disciplined by the "true" cost trade-offs, more of society's resources would be used in automobile production than consumers would truly desire. And second, the cost of producing high quality automobiles would rise because the cost of production would be unimportant to consumers and, therefore, to the producers.

The effects of present insurance arrangements on medical services are analogous to the effects on automobile production of making all cars sell for $100. Given a large subsidy, people will upgrade the quality and quantity of the medical services they consume beyond the level they would choose if they had to pay all the costs them-

[3] That consumers may have such preferences is indicated by the opposition in the Bronx Puerto Rican community to the proposed closing of the St. Francis Hospital. The Hospital Review and Planning Council apparently believed the hospital was second-rate and would no longer be needed when a new hospital was built. See Herman M. and Anne R. Somers, *Medicare and the Hospitals* (Washington: The Brookings Institution, 1967), p. 208, n. 5.

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selves. They will go to an expensive university hospital when a cheaper community hospital would do just as well. They will opt for a high-priced specialist to do a routine operation which a general practitioner could perform with equal expertise and safety. They and their physicians will not economize on the length of stay in the hospital or on the number of laboratory tests or X-rays.

It may be objected here that the analogy with automobiles is defective because low-income individuals, who need medical care in a sense that they do not need automobiles, should not be denied such care on economic grounds. Such objections ignore the crucial fact that, under our current insurance schemes, *everyone* is given a price subsidy, not just low-income individuals. Is there any reason to "remove economic barriers to medical care" for upper-income people? Furthermore, the view that low-income individuals should not be excluded from medical care is insufficiently specific. The choice is not simply to provide poor people with medical care or to deny it. There are also decisions to be made about the kind of care to be provided. If only the absolute "best" will suffice, we may find our consumption of other valued goods will go down significantly.

We are used to thinking about the traditional situation in which medical care was not very costly and in which giving unlimited medical care to everyone who needed it did not mean making much of a sacrifice elsewhere. In such circumstances, many came to view medical care as an absolute "right" and not simply as another service. Yet while medical care in many ways is different from the typical service, it does resemble other services to the extent that more medical care means less of the others. Some elements of medical care may be sufficiently expensive that we would rather do without them and consume other goods and services. The present health insurance schemes fail precisely in the major respect that they do not give us any clue as to what consumers really are willing to pay for. The only registration of preferences is through the political process, which is a notoriously imperfect transmitter of such specific information.

Why is medical insurance different?

The fundamental difficulty with all current and proposed health insurance schemes is that they have not found a way to transfer an appropriate amount of money to the sick person without subsidizing the price of health services and distorting the overall pattern of consumer choice and resource allocation.

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Such price subsidization is not found in most types of insurance, which usually provide that if the insured event occurs, a specified amount of money is given to the insured individual. If, for example, an individual's house burns down, he receives a certain sum of money. *The amount he receives generally depends only on the damage sustained, not on how much he spends to repair the damage or rebuild the house.* Consequently he must pay from his own pocket the full market costs of any upgrading he may choose to make in the quality of his house. If he employs an inefficient contractor, he must bear the additional cost for that, too. Fire insurance payments therefore do not distort consumer choice on how the damage is repaired. There is no subsidy effect.

If health insurance paid specified amounts to sick individuals, this subsidy effect would disappear. In order for such insurance to be effective in reducing the financial burden of an illness, however, the size of the payment would have to vary with the severity of the illness. Insurance payments that did not reflect the extent of illness would not provide enough security against the financial risks of hospitalization and the possibility of sustaining a large financial loss. Health insurance programs have been based on price subsidies rather than on fixed payments because of the obvious practical difficulty of defining specific degrees of illness and levels of payment appropriate to each. Apparently, insurance companies have felt it to be impossible to establish a procedure for determining the size of fixed payments that would make such insurance more desirable to purchasers of insurance than the current price-subsidy plans.

But severity of illness is not the only determinant of the size of a hospital bill and therefore not the only basis for establishing fixed insurance payments. Even granting that health insurance cannot be precisely the same as fire insurance—cannot state that for appendicitis of a certain severity $500 will be paid, and that for appendicitis of the next level of severity $600 will be paid—the price subsidy problem can be reduced by making the consumer bear as fully as possible the financial consequences of his choices. We propose an insurance plan that does this for hospitalization. The principle could be applied to comprehensive health services wherever there are competing organizations offering such services.

VCI—a constructive alternative

Hospitals vary widely in the luxuriousness of their accommodations, the range of services they provide, the intensiveness of the

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care they offer, and their efficiency of operation. Because of these variations, the cost of treating the same illness can differ widely depending on the hospital used. *If the amount of insurance payment for a hospital episode were independent of the hospital used, the patient would reap the full monetary savings of using an inexpensive hospital and pay the full additional cost of using an expensive one. The subsidy effect upon hospital choice would be eliminated.* We believe that there is a practical means of making hospital insurance payments substantially independent of the hospital used. We call this new type of hospital insurance Variable Cost Insurance (VCI).

The basic features of VCI are as follows:

¶ An insurance organization (either the government or a private company) offering VCI would determine an expense class for each hospital in a community or area by examining the history of its costs and charges.

¶ Subscribers would designate, in consultation with their physicians, their preference in hospitals.

¶ In private plans, the insurance premiums charged subscribers would be proportional to the expenses class of their preferred hospital(s). In government-sponsored plans, premiums would be charged only for coverage in excess of a "standard benefit plan."

¶ The insurance organization would pay hospitals on the basis of either billed charges or costs, whichever is mutually agreed upon.

¶ In the event that the subscriber enters a hospital, the proportion of the bill paid by VCI would vary inversely with the expense class of the hospital used.

Such an insurance plan makes the individual consumer an active seeker of economical care. It can be introduced without substantial prior research and without the development of a large administrative structure. It avoids the quality-comparison problems inherent in incentive payment plans based on "target costs" and the bureaucratic complexities of central planning and franchising. It is not very sensitive to errors in administration, and it is adaptable to all types of insurance programs. Variations of the basic plan can be applied to individual insurance, group insurance, and government programs like Medicare and Medicaid.

Under VCI, hospitals in a community would be rated according to their expensiveness. Those insured would be given a list showing the expense class of each local hospital and would be asked to designate their preference. They would be expected to consult with their physicians in making this choice. If feasible, hospitals might

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be given separate expense ratings for surgery, medicine, obstetrics, and pediatrics, and the consumer could elect different hospitals for different services.

In Medicare-Medicaid or in private group plans, the government or the employer might cover the insurance cost for a "standard benefit plan," which would include hospital coverage for a specified (perhaps the average) expense class. Those insured would pay additional premiums if they desired coverage beyond the specified expense class. In plans which include co-insurance (plans in which the consumer pays a certain proportion of the total bill) the extent of the co-insurance might decrease as expense class decreases. If those insured under Medicare, which now has no co-insurance, chose a lower than specified class, an amount might be applied to payments under Part B (insurance for physician services). In individual private plans, the charge for insurance would vary directly with the expense class of coverage.

If a person were hospitalized in an institution whose expense class differed from his coverage, the basic plan would pay costs in proportion to the value of I/H, where I is the policy expense class and H is the class of the hospital actually used. If the bill were $1,000, for example, and I/H were .8 (that is, if the insurance expense class were 20 per cent less than the expense class of the hospital used), the subscriber would receive $800, less any co-insurance. If the plan included 20 per cent co-insurance, the subscriber would receive $800 x .8, or $640.

VCI could ignore the subscriber's expense class in emergency cases where other facilities were not available. It might also pay all or some of any additional costs incurred if the facilities in the elected expense class were full or if special services available only at more expensive hospitals were required.[4]

Some refutable objections

A number of arguments have been raised against VCI and apply to any plan that attempts to increase the individual's responsibility for the financial consequences of his actions. The most common of these asserts that, if the plan is to work, individuals must have the opportunity to choose among a wide variety of hospitals and that such opportunity does not generally exist. In a private com-

[4] For further details on VCI, see our articles, "The Subsidy Problem in Hospital Insurance," *The Journal of Business*, October 1970, and, "A New Type of Hospital Insurance: A Proposal for an Experiment," P-4485 (Santa Monica: The Rand Corporation, October 1970).

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munication, Theodore Allison, Senior Research Associate at Metropolitan Life, noted the limitations on the individual's range of choice:

> Actually, most of the population live in areas where the choice of hospital is quite limited or nonexistent. Even in large cities where there are several hospitals, the choice of hospitals convenient to the patient is limited. When a patient's condition requires facilities or services available in only one hospital, the idea of effective choice disappears. Choice is also circumscribed by the hospital appointments of the patient's physician.

We do not deny that consumers' freedom of choice is limited. What we do deny is the premise that widespread freedom of choice is an essential precondition of VCI.

Suppose that there were no freedom of choice and that every patient could go to one and only one hospital. Even in this extreme situation, VCI would be desirable on equity grounds. People who went to low-cost hospitals would pay less for insurance, and those who went to high-cost hospitals would pay correspondingly more. The current method of charging everyone the same premium regardless of the kind of hospital used has the effect of making those who use low-cost hospitals subsidize those who don't. Low-cost hospitals are usually in low-income areas and hence are used mainly by people with low-incomes. The current system thus has the effect of requiring the poor (insofar as they pay their own insurance premiums) to underwrite the costs of care for the more well-to-do. VCI would remove this inequity.

It is true that the preferences of consumers must play some role in decisions on hospitalization if VCI is to have a beneficial impact on hospital costs. The amount of direct consumer influence and freedom of choice needed, however, is not nearly as great as one might suppose. Not everyone has to be willing or able to change hospitals because of cost differences. If only 10 per cent of the patients of a high-cost, low-quality hospital decide to go elsewhere, the management of the hospital will be under considerable pressure to improve its performance. Even if the change is gradual and only a few per cent of patients begin going elsewhere each year, the cumulative effect over five years will be substantial. In fact, not more than a few per cent a year *could* go to more efficient hospitals, thereby filling their capacity. This should considerably ease the adjustment process without reducing the long-run pressure for efficiency.

It is sometimes argued that it is the physician, not the patient, who chooses the hospital and that increasing consumers' awareness

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of cost would therefore be without practical effect. This argument assumes that physicians completely ignore the concerns and preferences of their patients—which is obviously incorrect. Most physicians do take their patients' wishes into account and, under VCI, might very well tailor their recommendations on hospital choice to the patients' income. VCI might also encourage physicians to obtain staff appointments at a variety of hospitals and to move their practices to more efficient hospitals in order to lower the cost of insurance to their patients. Only a small proportion of physicians need to make such moves in order to have a substantial impact, and even those who do not move would probably put pressure on hospital managements to curtail waste. The cost of such waste will be borne directly by their patients, perhaps causing some to go to another physician, and in any case making their patients less well off.

A third argument against VCI is that consumers do not have the expertise required to choose a hospital intelligently. The first point to be made in response is that the consumer cannot be in a worse position under VCI than he is now, when he must rely almost entirely upon his physician for information about hospitals. Moreover, VCI will probably create a strong demand from consumers for better information on the quality and efficiency of different hospitals. Such demand does not exist today because cost does not influence consumer choices. Under VCI, it will.

Some have expressed their concern that VCI might be too successful in inducing consumers to economize upon their hospital care. They worry that people will become unwilling to pay the full cost of high-quality care. Obviously, some people will and some people won't—and this is one of the desirable aspects of VCI. The critics are suggesting that "in matters of health, only the best is good enough." This is good rhetoric but bad analysis, for reasons we have already explained.

The one authentic problem

There does exist one authentic difficulty in applying VCI to government-sponsored insurance programs such as Medicare and Medicaid. One of the objectives of these programs is to even out the differences in the quality and quantity of medical care consumed by the poor and the non-poor. If VCI were applied to these programs, it is very likely that low-income people would choose relatively low-cost hospitals when possible because saving on expenditures is particularly important to them. As a result, the poor

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would end up in the less expensive (and presumably lower-quality) hospitals, while the rich would use the more expensive and (sometimes) better-quality hospitals. Although such an outcome is not so very different from the situation which prevails today, this effect of VCI could be politically fatal.

If so, it is a shame, because it would mean that we are doomed to perpetuate a wasteful approach to improving the welfare of the poor. Poor people prefer to save money by going to less expensive hospitals because the savings are more valuable to them when spent on other goods or services. If the savings achieved by Medicare and Medicaid as a result of adopting VCI were used on other programs to aid the aged and the poor, the overall welfare of the recipients could be improved significantly at no extra cost.

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A new approach to national health insurance

MARTIN S. FELDSTEIN

A NEW approach to national health insurance is urgently needed. Our present system of financing health care provides inadequate protection, encourages inefficient use of resources, and accelerates the inflation of medical costs. Unfortunately, the proposals for national health insurance that are now being discussed will not remedy this situation. I propose to outline a different approach to national health insurance that would avoid the major shortcomings in the present system and in the previously suggested alternatives.

Any proposed system for financing health care should be judged by the following six objectives:

(1) *Prevent deprivation of care.* No individual should be deprived of medical care because of inability to pay, just as no individual should go hungry or lack adequate housing because of low income. Moreover, no one should be encouraged to delay care because his insurance will not pay for preventive or ambulatory care but only for hospitalized treatment of the more serious illness that may ensue.

(2) *Prevent financial hardship.* No family should suffer substantial financial hardship because of the expense of unpredictable illness or accident.

(3) *Keep costs down.* A financing system should both encourage

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efficient use of resources and discourage medical care price inflation. Whenever possible, patients should use relatively low-cost ambulatory facilities rather than high-cost in-hospital care. Hospitals should be induced to moderate the forces that raise the cost of care: increased personnel, unnecessary pay raises, and a proliferation of technical facilities and services. Physicians should not be encouraged to increase their fees by the knowledge that, because of insurance, the cost to their own patients will rise little if at all. In short, the financing method should encourage cost consciousness in the decisions of patients, doctors, and hospital administrators.

(4) *Avoid a large tax increase.* High taxes distort the supply of work effort and cause inefficient use of resources in the economy as a whole. Therefore, a national health insurance program that raises substantial funds from taxpayers and returns it in the form of health insurance has a large hidden cost in lower national income. The magnitude of our total spending on health care makes this an important consideration. In fiscal year 1968-69, government spent nearly $19 billion on personal health care; private expenditures then approached $34 billion. Transferring this private spending to the public sector would require a very large increase in tax rates. For example, if it were to be financed by an increase in the individual income tax, collections would have to rise more than 30 per cent. If the social security payroll tax were used, its rate would have to be doubled.

(5) *Be easily administered.* The administration of a health care system should not require complex procedures, which are costly and inconvenient, or arbitrary decisions, which imply that resources are not used appropriately.

(6) *Be generally acceptable.* Any new method of financing should be acceptable to physicians and to hospitals as well as to the general public. A system that is disliked by either would encounter substantial political opposition and, if instituted, would be hampered by lack of cooperation and an inadequate supply of new personnel in the long run.

The current system

Although almost every American is enrolled for some form of health insurance, the current coverage is typically rather "shallow." That is, families incurring large medical bills often find that their insurance pays only a relatively small portion. A 1963 National Opinion Research Center survey found that the average annual expenditure for medical care among survey families was $370 and

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that approximately one-fifth had expenses exceeding $500.[1] Among the *insured* families that spent more than $500, only one-third received benefits exceeding half of their expenditures while another third received benefits of less than one-fifth of their expenditures. Today, as in 1963, most hospital insurance pays a relatively high proportion of small and moderate bills but imposes a variety of ceilings on use and an effective overall ceiling on benefits; the less restrictive major medical insurance policies cover less than half of the population under 65.

The absence of deep coverage leaves a large residue of financial hardship and may also prevent many people from seeking potentially expensive care. Moreover, the fact that hospitalization (including surgical) insurance is much more complete than insurance for nonsurgical physician care discourages patients from seeking preventive care and induces them to gamble with their health in the knowledge that, should untreated minor symptoms become severe, a short stay in hospital is likely to be relatively costless.

The current system of financing medical care has also contributed to the high and rapidly increasing costs of such care. A substantial body of research has shown that, because of the structure of insurance coverage, patients obtain expensive (but covered) in-hospital care when much less expensive (but uncovered) ambulatory care would have been as effective. Insurance has also accelerated the rising cost of in-hospital care. Ironically, although the hospital patient with a large bill often finds his insurance grossly inadequate, the *average* patient stays a relatively short time (the 1968 mean stay in community hospitals was 8.4 days) and has almost his entire hospital bill paid for by insurance. For most days of care, therefore, the hospital does not sell its services to individual patients but collects its costs from an insurance company or Blue Cross plan. Of the approximately $9.9 billion of private expenditure on hospital care in 1968, more than 73 per cent was covered by insurance. Since 1966, the problem has been exacerbated by Medicare and Medicaid; government now purchases nearly half the total hospital care. Because hospitals are able to pass almost all cost increases on to insurance companies and the government, there is neither internal incentive nor external pressure from patients to moderate cost increases. Finally, the growth of medical insurance has accelerated physician fee inflation not only by increasing demand, but also, as noted above,

[1] This survey of 2,367 families containing 7,803 individuals is reported in Anderson, R. and O. W. Anderson, *A Decade of Health Services* (Chicago: The University of Chicago Press, 1967).

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by allowing the physician to raise his fee without imposing an equal extra burden on his own patient.

Subsidy-credit plans

Thus, our current system of financing health care provides inadequate coverage while inducing substantial cost inflation. Judged by the first three criteria, this system has failed badly.

The combination of inadequate coverage and rapidly rising costs has stimulated a variety of proposals for national health insurance. All plans are of two basic types: one involves direct subsidies or tax credits for the purchase of the current type of health insurance from private insurance companies; the other is universal comprehensive public health insurance.

The proposals to give subsidies and tax credits to purchasers of voluntary insurance differ only in detail. Each provides a maximum level of tax credit or subsidy that would be paid to purchasers of insurance in the lowest income group and a schedule of lower subsidies to higher income groups. The proponents of these schemes have concentrated their attention on the method of government finance for the program (general tax revenue and payroll taxes) and the costs of the particular schedules of subsidies. The maximum premium subsidies have varied between $200 per family and $500 per family in the different proposals; these numbers should be compared with an estimate[2] of $850 per family of four for a fully comprehensive health insurance in 1968 (including dental care and drugs as well as hospitalization and physicians' services) and the actual 1968 average premium per family of four of $304.[3]

These subsidy proposals have two major objectives: to encourage the purchase of more health insurance and to replace Medicaid. However, a subsidy would have no effect on the purchase of insurance by families that already spend as much as their maximum subsidy for insurance. As the estimate of $304 for the average actual premium indicates, proposed subsidies of $200 or $300 are likely to have little effect on the total purchase of insurance, except perhaps among relatively low-income groups. (Surprisingly, there has been no estimate of the extent to which subsidies or credits would exceed current expenditures on insurance by families at different income levels.) As for the second objective—the replacement of Medicaid—

[2] Waldman, S., *Tax Credits for Private Health Insurance* (Social Security Administration, Dept. of Health, Education & Welfare, 1969).
[3] Reed, L. S., "Private Health Insurance, 1968: Enrollment, Coverage and Financial Experience," *Social Security Bulletin,* Dec. 1969.

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it is true that these plans might remove a substantial burden from state and local governments. But it would also replace the current relatively comprehensive insurance coverage that Medicaid provides in many states for low-income families with more limited coverage. The major effect of the subsidy-credit plans would be an income transfer, generally in the form of tax reduction, from higher income groups to middle- and lower-middle income groups. For many such families, there would be no incentive to purchase more health insurance—their current policies costing as much as the maximum subsidy which they would be entitled to receive—but only a welcome reduction in taxes.

Because the subsidy-credit plans rely on current forms of health insurance, they perpetuate all the weaknesses of our present system. Some individuals would still be deprived of care because of prohibitive costs. The danger of financial hardship would remain. The forces that encourage medical care price inflation would not only remain but would be intensified to the extent that insurance coverage grows. Moreover, the program would require a substantial tax increase, estimated at between $10 billion and more than $15 billion; expenditure increases resulting from such a program would probably make the actual tax increases much greater.

It is worth emphasizing that because a large proportion of the government expenditure on these programs would simply redistribute income without increasing health insurance, they should be compared to the negative income tax and other programs for welfare reform. In terms of its ability to alleviate real poverty, the subsidy-credit health insurance schemes are much less effective per dollar of tax increase than more direct redistributive programs.

There is, in short, little to recommend these proposals as a way of improving our health care system, or of containing costs, or of increasing protection. They are an inefficient way of redistributing income and an inappropriate way of assisting state governments currently burdened with Medicaid expenditures.

Uniform comprehensive health insurance

The proposals for uniform comprehensive health insurance generally advocate something like an extension of Medicare to the entire population. More comprehensive programs would abolish the small deductible and co-insurance features of Medicare, eliminate its limit on the length of covered hospitalization, and extend coverage to drugs and dental care.

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There is no doubt that under comprehensive insurance no one would be deprived of needed care because of inability to pay or suffer any financial hardship because of unpredictable illness. In terms of our other criteria, however, such plans must be judged unacceptable.

Although comprehensive insurance would remove the current incentive for patients to use in-patient rather than ambulatory care, it would not introduce any positive incentives for the efficient use of resources. Whatever cost consciousness still exists among patients, doctors, and administrators would be removed. There would be no incentive to limit the rising cost of hospital care, to use paramedical personnel more widely, or to produce physicians' services more efficiently. With all bills paid by the government, nothing would limit the rise in hospital wage rates and physicians' incomes. In such a situation the government would be forced to introduce direct controls and producer incentives in an attempt to contain costs.

Detailed controls, fee schedules and limits on hospital charges might, of course, prevent rising costs, but the experience of Canada, Britain and Sweden suggests that health costs rise very rapidly even in government health programs with extensive direct controls. Such controls would not achieve, and might actually work against, an efficient use of health resources. They would certainly require a large number of arbitrary policy decisions and engender the hostility of the basic providers. Such arbitrary decisions pose a more serious problem than may be generally recognized: What is a "reasonable" level of hospital daily cost? At what rate should hospitals improve facilities, add staff, raise the level of amenities? How many beds should there be per thousand population? How much should different medical specialists earn? These are not technical questions that can be answered "objectively" if only enough research were done—they involve tastes and value judgments about the relative desirability of different goods and services.

Finally, even if expenditures were not to rise, the provision of comprehensive insurance would require a substantial tax increase: over $20.5 billion to replace current private expenditure on physician and hospital services and an additional $13.3 billion, if drugs and personal health care were to be included.

Comprehensive insurance would thus shift the problem of the health care sector to a conflict between cost inflation and controls. No matter where the balance between these was struck, there would be no natural incentive to efficiency and a large government expenditure to be paid for by higher taxes.

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A new approach

My proposal is extremely simple: major risk insurance (MRI) and government guaranteed postpayment loans. Every family would receive a comprehensive insurance policy with an annual direct expense limit (i.e., deductible) that increased with family income. A $500 "direct expense limit" means that the family is responsible for the first $500 of medical expenses per year but pays no more than $500 no matter how large the year's total medical bills. Different relations between family income and the direct expense limit are possible. For example, the expense limit might start at $300 per year for a family with income below $3000, be equal to 10 per cent of family income between $3000 and $8000, and be $800 for incomes above that level. The details of the schedule are unimportant at this point. The key feature is an expense limit that is large in comparison to average family spending on health care but low relative to family income. The availability in addition of government guaranteed loans for the postpayment of medical bills would allow families to spread expenditures below the expense limit over a period of a year or even more.[4]

Major risk insurance is the most important type of health care insurance for the government to provide. It concentrates government effort on those families for whom medical expenses would create financial hardship or prevent appropriate care. Because relatively few families have such large expenditures in any year, MRI need not be a very costly program. Moreover, as explained below, MRI is likely to help limit the inflation of medical costs. In terms of our six criteria, these are the advantages of the MRI plan:

(1) *Deprivation of care.* If the maximum annual expenditure on health would be limited to ten per cent or less of family income, no family would be deprived of care because of inability to pay. (If it is believed that certain preventive care and early diagnostic tests would not be done as much as is desirable, the MRI policy could be supplemented by specific coverage for these activities at relatively little additional cost.)

(2) *Financial hardship.* MRI would also prevent financial hardship by limiting the financial risk to ten per cent or less of annual income. The availability of government guaranteed postpayment loans would permit bills to be spread more comfortably over the year.

(3) *Cost inflation.* An increase in insurance coverage generally

[4] For a detailed discussion of postpayment, see Robert Eilers, "Postpayment Medical Expense Coverage: A Proposed Salvation for Insured and Insurer," *Medical Care* (May-June 1969).

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exacerbates the inflation of hospital costs. However, the universal provision of MRI might reduce hospital cost inflation by eliminating or at least decreasing the current use of shallow coverage insurance. Families would have little to gain from such insurance when MRI had removed the risk of major expense. The cost of an insurance policy would be high relative to the upper limit on expenses guaranteed by the MRI. The ensuing reduction in ordinary insurance would help to check inflation by reintroducing cost consciousness and incentives to efficient resource use.

Some figures and an example will clarify these ideas. The table below, which is based on a 1963 survey updated to 1968-69 prices, shows the distribution of family expenses for medical care.

Expense	Per cent of Families	Cumulative Per cent
$ 0-79	17.8	17.8
80-159	11.7	29.5
160-319	18.7	48.2
320-479	12.8	61.0
480-639	9.5	70.5
640-799	6.3	76.8
800-1199	10.0	86.8
1200-1599	5.1	91.9
1600-3199	6.5	98.4
3200+	1.6	100.0

The average family spending was $600, but half the families spent less than $320. This uneven distribution—with a high percentage of the costs falling on a relatively small proportion of the families—suggests why MRI would reduce the use of ordinary shallow coverage. An $800 MRI policy would lower the average uncovered expenditure to approximately $400. Although a family could, therefore, buy comprehensive insurance for somewhat more than $400, why should they pay for insurance protection when the *maximum* difference between the benefits and the premiums is a relatively small amount—less than $400?

The effect is even stronger for families with a lower MRI limit. An MRI policy with a $320 limit would reduce average uncovered expenditure to $230. There would be little for a family to gain by paying a premium of at least $230 for an insurance policy against a maximum risk of only $320, especially if postpayment loans are available to spread the expense.

The primary virtue that makes health insurance attractive today is its protection against the risk of larger expenses; when this feature is pre-empted by the MRI policy, additional coverage should cease to be attractive. The demand for additional insurance would there-

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fore come only from those families that expected to have higher than average medical bills—by the families for which the expected benefits were larger than the premium. But such a process of self-selection would raise premiums, further limiting the demand for insurance. The result would be to reduce and perhaps eventually eliminate the current shallow coverage.

This reduction implies that although individuals would be protected by MRI against major expenses for health care, the vast majority of payments for physician and hospital services would not be covered by insurance. Because most physician and hospital care would be paid for directly by the patient, the inflationary forces inherent in our current insurance system would be checked. The current tendency to use insured hospital care instead of relatively less expensive ambulatory services would be replaced by an incentive to choose the most efficient combination of resources to obtain care: ambulatory care, paramedical personnel, etc. Although patients often do not have the technical information to make such choices, the prospect of substantial cost differences would induce them to seek their physician's advice.

The potential impact on hospital costs is substantial. In 1968 the average daily cost in short-term voluntary hospitals was approximately $70 and the average stay was about eight days, implying a total cost of $560. Under MRI, most families would find a high proportion of their bill not covered by insurance. Patients and doctors would, therefore, become more careful in selecting a hospital. Hospital administrators would become more cost conscious in order to maintain demand for their beds and to reduce the burden on their patients. The doctors affiliated with a hospital would become less interested in cost-increasing acquisitions with little impact on patient health and more concerned to keep costs down and obtain high value for money spent on new equipment; high costs would encourage patients to seek a physician who could provide care in another hospital and in addition would impose an extra burden on the patients who remain with them.

Patients' desire to substitute ambulatory care for the more expensive hospital services would increase the demand for physicians' services and therefore tend to raise their fees. This would be somewhat offset by a second shift in demand—from physician care to care by supervised paramedical personnel. Moreover, to the extent that physicians have been raising fees not merely in response to the pressure of demand but because doing so imposes little or no burden on insured patients, future fee inflation could be expected to decrease.

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For families that exceed their expense limit, MRI would be equivalent to comprehensive insurance. They would therefore have no incentive to limit their spending for medical care.[5] But the basic cost per day in hospitals would not be determined by the willingness of those relatively few families to spend but rather by the preferences of the far larger number of patients who would not be reimbursed. MRI insurance carriers could prevent excesses in physicians' fees and hospital durations of stay by requiring that the same care be given and fees be charged to these patients as to those who are paying for their care. Because most medical services would be paid for directly, the standard of "customary charge" and "customary care" would provide a meaningful reference standard as they currently do not.

In short, MRI would introduce a cost consciousness and a basis for cost comparison that could improve efficiency and contain medical care inflation.

(4) *Tax burden.* The cost to taxpayers for an MRI program would not be large relative to the benefits conferred. The exact amount would depend on the particular schedule of deductibles and the overall impact of the program on utilization and unit costs. I estimate that the cost per family with an $800 limit MRI policy would be $186; with a $300 policy limit, the cost would be $355. By 1968-69, more than half the households had incomes over $8,000 and would therefore receive $800 limit MRI policies. If we assume that 55 per cent of households receive $800 limit policies and that the remaining 45 per cent are distributed evenly among $640, $480 and $320 limit policies, the total cost of MRI for the population below 65 years of age would be $13 billion. Against this figure would have to be offset savings from Medicare and Medicaid. Moreover, the universal provision of MRI would suggest ending the income tax deduction for medical expenses, further reducing the net cost of MRI.

(5) *Administrative simplicity.* The MRI insurance would be relatively simple and inexpensive to administer. Survey data indicate that less than 25 per cent of the families with $800 limit policies would make any claim. Even among families with $300 limit policies, only 52 per cent would make claims. Each family that exceeds its MRI limit would submit only one claim in a year. Additional families could, of course, apply for postpayment loans.

Reduction in the use of shallow insurance plans with their vast number of small claims would permit a substantial saving in admin-

[5] The next section describes a way of modifying the MRI principle to include a co-insurance feature that would substantially reduce the number of families that exceed their expenditure limit without any increase in the maximum financial burden for each family.

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istrative costs. In 1968-69 private expenses for prepayment and administration exceeded $1.7 billion. Because MRI would act to contain cost inflation and to increase efficiency, there would be no need for detailed controls or essentially arbitrary policy decisions. Planning efforts could be concentrated on those problems that cannot be solved by the natural forces of supply and demand.

(6) *General acceptability.* An MRI scheme should be acceptable to physicians, hospitals, and the general public. It would have the virtue of providing full protection against serious financial hardship without the controls or fee schedule that would accompany other forms of insurance. The current freedom of physicians and hospitals would be preserved. If MRI were administered by the same insurance companies that currently provide health insurance, the net effect would be a small increase in their total premium.

Co-insurance

MRI could be improved by introducing a co-insurance feature above a basic deductible. This would make consumers cost sensitive over a wider range of expenditures without increasing the maximum risk to which they are exposed.

For example, the annual direct expense limit of 10 per cent of income could be replaced by a basic deductible of five per cent of income followed by 50 per cent co-insurance for an additional 10 per cent of income. A family with a $6000 income would thus be fully responsible for the first $300 of medical expenses and half of the next $600, implying a maximum total payment of $600. The maximum total expenditure is thus the same as for the MRI plan described above.

Although the family's maximum payment would be unchanged, the co-insurance would make families cost conscious over a much wider range of expenditures. With an income of $8000 or more, the family pays half of the bills for expenditures from $400 to $1200. Fewer than one family in seven has expenses exceeding this amount. For lower-income families the effect is equally great: although a $4800 income family would have a 40 per cent chance of exceeding a $480 expense limit, there is only one chance in four of exceeding the $720 limit implied by the 50 per cent co-insurance plan.

The co-insurance variant of MRI would not only have the advantage of increasing cost consciousness without raising the maximum risk; it would also reduce the chance that the family would be required to spend the maximum amount. For families with incomes of

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$8000 or over, the risk of incurring net costs of $800 is reduced from one chance in four to one chance in seven. For families with incomes of $4800, the risk of spending $480 is reduced from 40 per cent to 25 per cent.

There is only a slight extra cost to the government for this extra protection and the added cost consciousness of co-insurance. The average cost per family of MRI with co-insurance is $249 compared to $233 without it. There would be a small increase in the cost of administering additional claims. But these extra costs would be more than justified by the much greater cost consciousness that would be obtained.

Some questions, some answers

The MRI and postpayment proposal raises a number of questions. What would happen to Medicaid and Medicare? How would group practice, the increased use of paramedical personnel and other improvements in efficiency be encouraged? Would preventive care be neglected? What would be the role of area-wide planning? This section answers these and related questions.

MRI would make Medicaid unnecessary. "Medical indigency" for families above the poverty line ($3300 in 1969 for a family of four) would be eliminated by the provision that health care spending not exceed 10 per cent of income. Families below the poverty line who are currently covered by Medicaid could be given in addition to the MRI policy a cash grant equal to their expected health spending; as noted above, with a $320 deductible this would be approximately $230. This would leave the family with little risk of unsubsidized and uncovered expenditure (a maximum of about $90 per year for the family), would remove the distinction between welfare patients and others, and would encourage these families to have the same cost consciousness in health spending as the rest of the population. This method of replacing Medicaid is consistent, both in spirit and in administrative machinery, with the new approaches to welfare policy such as the Family Allowance Plan and Negative Income Tax, advocated by members of both political parties. It could alternatively be administered within the framework of our current welfare system but without the complex details of the Medicaid program.

Because of the special economic and health problems of the retired aged, it would probably be best to continue Medicare in its current general form as part of the Social Security program. In the spirit of the MRI proposal, the deductibles in parts A and B of Medicare could be increased and compensating amounts added to the

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Social Security retirement benefits. Even if Medicare is left essentially unchanged, its future cost levels would be restrained by the cost-conscious environment that MRI would create.

A related issue is raised by those conditions, such as total chronic kidney failure, in which treatment costs several thousand dollars per year and tens of thousands of dollars during a single illness. MRI might either include these or, by imposing a ceiling, leave their financing to special public programs and private health insurance as at the present. The appropriate solution to this delicate social problem lies outside the scope of this essay.

Organizational changes that might increase the efficiency with which medical care is produced, such as group practice and the use of paramedical personnel, would be encouraged under MRI by the natural pressure from patients to obtain care at lower cost. A specially trained pediatric nurse or other paramedical worker, capable of providing the same quality of care currently rendered by physicians but at lower cost, would be easier to incorporate into our system of medical care if patients have an incentive to keep costs down than if, because of comprehensive insurance, they can request the more expensive physician care at little or no cost to themselves. Similarly, if group practice is a more efficient way to produce medical care, demand for this type of service would grow as lower costs are passed on to patients in the form of lower fees. Comprehensive prepaid group practice could easily be incorporated into an MRI system by allowing families to apply the actuarial value of their MRI policies against the annual charge of the prepaid group.

The increased reliance on individual preferences and the market mechanism made possible by MRI would not completely eliminate the need for area-wide planning. A variety of decisions—the location of expensive diagnostic and treatment equipment, the investment in long-lived hospital facilities, the training of specialized personnel—might still be improved by such coordination. But the behavior of patients who are paying for a large portion of their medical care would help to guide these planning decisions and would act as a long-run check on their appropriateness. Moreover, the MRI system would leave to the market those decisions that planners would have to make if a high proportion of expenses were reimbursed by insurance: What is the "right" level of hospital cost per patient day? What is the "appropriate" charge for different doctors' services? How much "should" doctors in different specialties earn? In short, area-wide planning would be able to concentrate on the problems that cannot be solved by the natural forces of supply and demand.

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A breakdown in civil rights enforcement?

NATHAN GLAZER

WHEN the enormous report[1] of the United States Commission on Civil Rights appeared last October, it made page one of the *New York Times,* under the predictable headlines, "U.S. Rights Panel Finds Breakdown in Enforcement." The first sentence of the story read: "The United States Commission on Civil Rights said today there had been a 'major breakdown' in enforcement of the vast complex of federal laws and executive orders against discrimination."

It would have been really news had the headline—and the story—been any different. The CRC is the most independent of federal agencies. It was set up by Congress in 1957 to investigate complaints of deprivation of voting rights, to study and collect information on denial of equal protection of the laws under the Constitution, to "appraise federal laws and policies with respect to equal protection under the laws," and to "submit reports, findings, and recommendations to the President and the Congress." It is not part of any administration (though the President appoints its members) and it has been unsparing in exposing and criticizing the deficiencies of both local authorities and federal departments and officials. It has been particularly persistent in pointing to the failure of federal departments to use the extensive powers available to them to make sure that their programs be carried out in a nondiscriminatory manner, that their employees—and the employees of the agencies they support or contribute to, public and private—be properly representative of the racial character of the areas in which they operate, and that their benefits are distributed equally to black and white. Thus, for example, it has been able to demonstrate that the programs conducted by the Department of Agriculture—which dispenses huge sums to farmers—are conducted primarily by white employees, and do not proportionately benefit black farmers.

The CRC thus stands in a remarkable position. It is independent of the executive and legislative branches of government, responsible for no tasks of enforcement or regulation and, of, course, at the same time, limited in its impact on government because it has no punitive powers. Nevertheless, its reports are important: it has greater access

[1] *Federal Civil Rights Enforcement Effort. A report of the United States Commission on Civil Rights.* (1970) United States Government Printing Office, Superintendent of Documents. $8.50.

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to the workings of government than a non-governmental watchdog of civil rights would, and it focuses the light of publicity on the failings of government.

Federal Civil Rights Enforcement Effort is an enormous and fascinating account of the federal bureaucracy in all its manifestations attempting to grapple with the increasingly complex problems of assuring "equity" or "justice" or "equality" for black Americans. The reader of the report is likely to be mystified at the selection of the theme of "breakdown" by the Commission—or its public relations officers—as carrying its main burden, because in fact it describes a growing and rapidly increasing army of federal officials carrying out the laws and orders to enforce equality. The report points out that there is now a great array of powers available to the federal government and its agencies to advance the position of minority groups. There is first of all the simple power of federal employment. The federal government is by far the largest employer in the country, and it has the power to recruit, train, and promote members of minority groups into many jobs, at many levels, utilizing every possible skill. Secondly, there is the power that exists by virtue of the fact that the federal government has contracts with a good part of the businesses of the country—"fully a third of the nation's labor force is employed by companies which are government contractors" (p. 133)—and that "for nearly three decades, nondiscrimination in employment generated under federal contracts has been national policy." (p. 133) Both of these great powers—the power to employ directly and the power to compel federal contractors to be nondiscriminatory in employment (and more, to engage in positive efforts to employ members of minority groups)—exist quite independently of any legislation and indeed independently of judicial requirements. They exist because of Executive orders, which go back to the time of Presidents Roosevelt and Truman, and which have been renewed and strengthened in each successive administration, whether Democratic or Republican.

Then, there are the enormous powers that have been vested in the federal government through legislation, and particularly through Title VI of the federal Civil Rights Act of 1964. If the power of contract compliance reaches to one-third of the work force of the country, the Title VI powers reach to most of the rest. Title VI asserted that "No person . . . shall, on the ground of race, color or national origin, be excluded from participation, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal assistance." And just about every school district in the country, every state, every agency of local government, every university and college, every hospital, every bank in some interpretations—indeed the list could be endless—receives some form of "federal financial assistance."

There are other provisions of law which place upon the federal government the direct responsibility to respond to complaints and to prevent discrimination. There is Title VIII of the Civil Rights Act of 1968, which, following up on Executive orders and a base of legisla-

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tion in many states, bans discrimination in the greater part of the housing stock of the United States. There is Title VII of the Civil Rights Act of 1964, which "renders most employment discrimination illegal on a nationwide basis," and under which the Equal Employment Opportunity Commission was created.

Finally, quite independently of Executive orders, judicial decisions, and specific legislation, there is the enormous power vested in insured and guaranteed loan programs (e. g., for housing and business), in direct assistance programs (Social Security, Veterans Administration, and others), in the regulatory agencies—ICC, FPC, FCC, CAB, FMC, SEC, FTC—all having great powers over their respective industries—railroads and trucking, communications, air transportation, shipbuilding and operating, securities marketing, advertising. As the report points out: "Many of these business enterprises require federal licenses in order to conduct business at all, and because of the limited number of licenses granted, enjoy, in a sense, a federally protected monopoly position." (p. 813) All these businesses fall under the obligation, of course, to be "equal opportunity employers"—an obligation that is imposed on all businesses (with more than 25 employees) under Title VII of the Civil Rights Act of 1964. If they are federal contractors, they are subject to the requirements imposed on federal contractors. But beyond these general requirements, "members of regulated industries, because of the unique federally protected status that many of them enjoy, should feel a special obligation to further the cause of the key national policy of equal employment opportunity. . . . In addition . . ., in some industries there are special opportunities for facilitating the goal of increased minority entrepreneurship." (p. 815) Other issues may develop in regulated industries—for example, the provision of nonsegregated recreational opportunities at hydroelectric projects licensed and regulated by the FPC, or the provision of bus routes and rail service so that minority groups are well served.

Thus the federal role in raising the position of minority groups may be exercised in many ways, indeed in ways so numerous and distinct that, as the report recognizes, one of the chief problems is that of coordination. Thus, one federal agency may move against a corporation on the grounds of contract compliance, another on the grounds of violation of the Equal Employment Opportunity Law. Worse, in view of the complexity of the issues that now arise, different agencies may require quite different things. The most famous case, according to the report, is that of Crown Zellerbach. "EEOC had investigated the company's practices in late 1965 and agreed to accept a certain type of seniority plan. In February 1967, OFCC [the Office of Federal Contract Compliance] attacked the plan EEOC had approved, and finally, in January 1968, the Justice Department, in a suit, urged the court to reject the seniority plan that OFCC had requested and adopt an altogether new test. . . . The United States Court of Appeals noted, 'We cannot help sharing Crown Zellerbach's bewilderment at the twists and turns indulged in by government agencies in this case.'" Fortunately for all con-

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cerned, the National Labor Relations Board does not seem to have been involved—it might well have had its own views quite at variance with those of EEOC, OFCC, and the Department of Justice.

It is not my intention, however, tempting as it is, to pick out the anomalies and contradictions that inevitably arise in a complex governmental effort, involving every agency, at central and local levels, operating under different laws and Executive orders and guidelines and "clarifying" letters. The report is an important and serious effort to review almost the entire scope of federal effort in this field—an attempt matched by no other study, even though, as the writers of the report are the first to admit, they themselves have engaged in only a sampling of the federal effort in this vast field. It comes up with a severe judgment as to the inadequacy of this effort, and it comes up with recommendations designed to improve the effort. How sound is this judgment? How useful are its proposals?

Let me give a summary conclusion, and try to support it—almost entirely, it goes without saying, from the evidence presented in the report itself. I believe the report seriously *underestimates* the scale and intensity of the federal government's effort, *and* the degree of its success, when measured in the light of the scope of the effort and the real difficulties that any program to raise the position of minority groups must deal with. I believe many of its specific proposals for improvement of this effort—particularly those that propose the centralization and coordination of civil rights enforcement in the White House and in the new Office of Budget and Management—are good ones, and should be acted upon. Finally, I believe that its surprisingly negative judgment of the federal effort to date, and its refusal to accept the real difficulties, the inevitable contradictions, that arise in such an effort, might reasonably have been expected to lead to reactions in the White House that would hinder the adoption of the good proposals it makes.

There is no easy way of getting to the heart of such a complex matter, but I think one way is to recognize something the CRC report never does. That is, in moving from *equal opportunity*—which seems scarcely at issue in most of the report—to an attempt to ensure a *full equality* of achievement for minority groups, we are not simply continuing an old civil rights effort; we have become involved in something entirely new. The CRC report abandons as the measure of success in federal civil rights enforcement the elimination of discrimination. *Indeed, there is scarcely a reference to any single case of discrimination by anybody in this enormous report*—which indicates the CRC's sense of the present importance of that issue. It uses a new measure—the achievement of full equality of groups. Concretely, this means the test is not: Are members of minority groups discriminated against? It is: *Are they to be found in employment, at every level, in numbers equal to their proportion in the population?*

Thus, at one point we read in the report: "Despite [all the measures taken], equal opportunity in government contract employers,

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when measured in terms of actual employment of minorities, has not been achieved." (p. 134) The Civil Rights Commission is aware of no problem in making this statement—quite blandly, the definition of "equal opportunity" has become the "actual employment of minorities." Nor is there any effort to argue whether, or why, "equal opportunity" would lead to any such result. Indeed, there is excellent evidence—most of the report is itself evidence for this—that truly equal opportunity, at the point of employment or promotion, would lead to a rather smaller representation of many minorities, in many types of employment, at many levels.

The Commission's test of "non-discrimination," however, is one that the government has itself in large measure accepted, as have most of us, even if with varying degrees of discomfort. But the CRC report demonstrates to me that it is a test which simply can no longer be used mechanically, in the absence of such considerations as the size of the pool of potential employees, the priorities to be adopted between different employers competing for this pool, the impact on the morale of other employees and on efficiency of using special tests to qualify minority members for jobs in order to increase the pool of potential applicants and job holders.

THE CRC sees as the test of success in the employment area the achievement of proportions of employees at each level equal to the proportion of a given minority in the population. Thus the report points out that 2.6 per cent of the federal work force are Spanish surnamed, as against "approximately 5 per cent of our total population." (p. 68) Nearly 15 per cent of federal employees were Negroes (here the Commission does *not* bother to point out that only 11 per cent of the population of the United States is Negro). It points to some agencies with low proportions of Negroes—Interior with fewer than 5 per cent, and NASA with 3.9 per cent. But more important, it points out that Negro employment, as is well known, is concentrated overwhelmingly in the lower grades. The highest grades in the Federal Civil Service are G.S. 12-18. In 1962, .8 per cent of all employees in these high grades were Negro, in 1967, 1.8 per cent. (Of so-called Wage Board employees, those earning over $8,000 per year rose more rapidly, from .6 per cent of all employees, to 3.9 per cent; in the Postal Field Service, those in the highest grades rose from .4 to 2.4 per cent in these five years.)

Now, how are we to respond to these figures—an increase of two-and-a-half times in five years in the Civil Service, of six-and-a-half times in the better-paid positions in the Wage Board group, of six times in the higher grades of the PFS? The response of the CRC report is "the 1967 picture still reflected gross under-representation of Negroes in better paying jobs." (p. 71)

Let us look at the matter more closely. One way of increasing the number of Negroes in the Federal Civil Service would be to recruit more actively in predominantly all-Negro colleges in the south. The report informs us that "a visit by one or more federal officials is made for every 20 black students; the ratio for whites is estimated at

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1:225." (p. 79) Certainly the federal government has not been deficient in the scale of its recruitment efforts! But is there room for improvement? Another interesting figure in the report tells us that of 1,400 June 1967 graduates from 51 black colleges, 656 had accepted jobs with government, primarily federal.

Let us consider other data which bear on the size of the available pool of Negro candidates for the higher reaches of the Federal Civil Service. The report points out:

"An analysis of occupational categories comprising most G.S. 15 to 18 executive positions . . . [reveals] . . . medicine and engineering —occupations long virtually closed to minority group members— make up nearly one-third of all positions. More than 50 per cent of federal executive level employees hold masters degrees or better. Again, the premium placed on higher educational attainment works to the disadvantage of minority group members, who have been systematically deprived of equal educational opportunities for generations. Other characteristics of G.S. 15 to 18 executives—long years of federal service (two-thirds of the group have more than 20 years of federal service) and age level (more than 80 per cent are 45 or older) —also shed light on the grossly inadequate minority group representation within the upper grades." (p. 100)

Now if one-third of the very highest posts in the Federal Civil Service consists of engineers and doctors, and if Negroes make up less than 2 per cent of all engineers and doctors, clearly it is no simple matter to raise the proportion of Negroes in the higher federal service. Indeed, to make up for the fact that there are very few Negro doctors and engineers (and the doctors at least would very often find private practice, or research, or other opportunities, more attractive), the proportion of Negroes in the other two-thirds of the higher federal service would have to go considerably above 11 per cent to make up the deficiency.

Nor will the pool of engineers and doctors be increased rapidly. A recent study reveals that less than 2 per cent of the 40,000 engineering students in the country are Negro (*New York Times*, February 7, 1971). I believe the situation is not much better among medical students.

The issue, however, is not only the pool of available employees. There is also the fact that advancement to high position is a matter of reward for long service and, one hopes, efficient service. At least, the merit system and the Civil Service Commission, one of the more admirable agencies in the federal government (the CRC agrees with this judgment, which is not mine alone) do their best to ensure this result. Obviously on many occasions young men are advanced, and some who have not been in the service long, and some without higher degrees. What would happen to the morale and efficiency of the Federal Civil Service—indeed that very service we count on to carry out the enforcement of the civil rights laws, as well as many others, an enforcement that cannot be based on brief enthusiasms but must be grounded on well-established procedures, maintained over long periods of time—what would happen if these long estab-

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lished procedures for advancement, which men in the service count on, and which helps to motivate them and keep them in service, were to be radically weakened? These are considerations which, unfortunately, never come up in the CRC report.

Now let us consider the matter from another perspective. Conceivably the federal government, by increasing the scale of its efforts, could increase the proportion of Negro college graduates going into government. *But should it?* Would it not be desirable for larger proportions of this limited pool to go into business and corporations, into higher education perhaps, than for increased proportions to go into government service? Recently the newspapers have reported a drop in the number of Negro officers in the armed forces, and one reason, despite intensive efforts to recruit, is undoubtedly that other opportunities are now more easily available. Should this be seen as a mark of failure—or rather as an indication that other things have succeeded? Looking at the CRC figures, it seemed clear to me that the pace of improvement we had seen in 1962-67 in Negro representation in the higher grades of the federal government could *not* be maintained—the pool simply was not growing rapidly enough, and there were too many more attractive claims upon it. Recently, I was informed by an official of CRC that indeed the rate of improvement had *not* been maintained. From the point of view of CRC —at least as indicated in this report—this should be cause for further criticism of the federal government. From its own evidence, however, the problem is not in the intensity of recruiting efforts but the simple fact that there are no more people to be recruited.

Even this improvement in the ratio of minorities to all federal employees has not occurred without effort—and perhaps serious costs. The report tells us that "Arithmetic and algebraic components of the Federal Service Entrance Examination . . . have been largely eliminated. . . ." (p. 83) In addition, one can enter the federal service, under certain circumstances, without written examinations at all, on the basis of high grade-point averages in one's college, or by graduating in the top 10 per cent of one's class. Six hundred persons enter the federal service through this avenue each year, 200 to 300 of whom are non-white.

The Civil Service Commission and the various agencies seem, on the basis of the directives and letters quoted by the Civil Rights Commission, to be torn between the maintenance of the merit system, and its further abandonment in the light of the need to increase the proportion of members of minority groups at higher levels of the civil service. In quoting these directives and letters, the CRC is quite severe about what it sees as backsliding. But the questions must be considered: What is gained by the merit system? And what is lost by its partial or complete abandonment? This is no simple matter. Interestingly enough, the report is perhaps most severe—in criticizing the quality of work of federal employees engaged in enforcing equal opportunities laws and directives—on the Equal Employment Opportunity Commission itself. It would be interesting to know to what

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extent the procedures to ensure merit have been followed in staffing this agency, and whether the CRC believes the procedures it urges for all other agencies of the federal government (not to mention all of private industry and other employment) would actually lead to harder working, more committed, and steadier employees than the EEOC—on the CRC's evidence—now seems to have.

One of the EEOC's problems has been the short tenure and rapid turnover of its chief officials. I imagine these have been political appointments who have found the work of the EEOC less rewarding, in various ways, than they initially expected. And I would imagine that the only way to get permanent high officials for this agency —as has been true for other agencies when an early bloom (which EEOC scarcely ever had) has worn off—is to resort to . . . the Civil Service, and those who have persevered in it, and advanced in it, through the procedures that the CRC is quite ready to dismiss. Conceivably the CRC might be reduced to the position that all other agencies *except* those that enforce the civil rights laws and directives need not be terribly efficient, and could well dispense with merit considerations—but understandably these other agencies, and those that are the clients for their services, might disagree.

I believe I am as well acquainted with the weaknesses of a civil service as most people. My problem has always been to find an answer to the question: What is a better system for staffing bureaucracies with important and permanent functions?

Undoubtedly many modifications in the present merit system can be made, without impairing the general level of competence of the people who work for government, and with the additional benefit—one of enormous importance to government in this country—of increasing those from minority groups in all levels of governmental and private employment. Thus, firemen do not need to be tested on their knowledge of literature, and perhaps many employees in government need not be tested on their knowledge of mathematics (I feel more doubtful about this). There are a large number of tests—for example, for administrators in schools and education departments —that seem quite devoid of connection with the talents that one wants in these posts. Having said this, it is quite another matter to go on to say that knowledge of how to read and write and how to handle numbers and concepts—which is after all what most tests consist of—are always irrelevant. The CRC never once in the enormous report considers, as far as I can recall, whether *any* test is relevant to a competence, but considers all tests simply as barriers to the employment and advancement of members of minority groups.

THIS is part of another pattern in the report. No function of government is considered really important, aside from that of minority employment. Thus, again and again the various officers of the federal government will be criticized for taking their primary jobs seriously—for example, placing contracts. Undoubtedly some of us are against such functions of government as the acquisition of bombs or uniforms for the army; we would much prefer to see the function

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delayed or abandoned and the contract officers devote their energy to some other good, such as enforcing the hiring of more minority employees. But many of the functions of government are in areas in which all of us would consider efficiency desirable—to take some of the larger functions, they consist of mailing millions of social security and other direct payment checks, paying hospital and doctors' bills, delivering the mail, approving buildings that qualify for government aid and support in various forms, giving out research contracts, etc. We do not deal with absolute claims, of course—buildings can be delayed if that will lead to more minority hiring, or better integration. The question is, how much shall these services weigh in the balance?

It is just this kind of question which seems foreign to the thinking of the CRC. It may seem immoral to raise in connection with any moral issue the question: How much? But, inevitably, it must be raised. For instance, how many people should be hired to enforce the civil rights laws, with what budgets, with power to affect what other operations of government? One is impressed by how many are already so engaged. Thus, the Office of Federal Contract Compliance in the Department of Labor had a full-time staff of 118, expected to grow to 173 by 1973 (only 28 in 1967). In addition, each agency has its own contract compliance staff. The Department of Defense had 22 in a headquarters staff, 140 in the regional offices—171 new positions to be established in 1971. The President's budget for contract compliance called for a 100 per cent increase in staff for this work in 1971. HEW had 41, asked for an additional 118, which the Bureau of the Budget cut to 59, which the President sent to Congress. The Equal Employment Opportunity Commission had 570 employees—I understand this is to rise to 1,500. The Department of Justice had 32 attorneys and 10 research analysts in the employment section of the Civil Rights Division. In HUD, where all civil rights functions are consolidated in one division, there were 313 staff employees. In addition the housing section of the Civil Rights Division had 13 attorneys and 2 research assistants. Six thousand employees of the federal government are being trained as equal employment counsellors (for their agencies) by the Civil Rights Commission. I assume these have primary responsibility in other jobs. It would be no simple task to add up all those engaged in civil rights work for the federal government. Yet it would not be unimportant in determining, how much is enough, or too little, or too much?

The Civil Rights Commission has often done an important job in pointing to failings of the federal government and its many agencies in the areas of civil rights enforcement. More, it has done an ingenious job of demonstrating how civil rights objectives can be advanced in many programs that do not have these as their primary objectives. It continues this tradition in this report. But it also continues another tradition in the civil rights field, one which is increasingly to my mind not useful—and that is the tradition of insisting that there are no major problems, that whatever is done is not enough, and that good will and leadership will solve all problems.

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(The *New York Times* story subsidiary head read, "Commission, in Report, calls for Leadership by Nixon in behalf of Racial Justice.") In doing so it demeans the real complexity of the situation, and denigrates the work that has been done, and continues to be done, by thousands and thousands of government employees. Nor, one may assume, are those who deal with these problems and dilemmas day after day put in the mood to increase their efforts when whatever has been done is labeled a "breakdown."

Conceivably, the picture of civil rights enforcement effort that emerges from the limited field the CRC has examined presents the federal effort in too favorable a light. One recalls that important officials have resigned from the Equal Employment Opportunity Commission, and the Department of Health, Education and Welfare and that the civil rights staff in HEW rebelled, criticizing the present Administration's civil rights policies. The CRC report does not go into these resignations, nor into the crucial question of the effectiveness of the present Administration's shifts of tactics in southern school integration. But the areas it does deal with are important in their own right and as an index to the Administration's overall effort in the civil rights field, and in these areas, to my mind, the facts in the CRC's report are often at odds with its severe judgments.

In its next report, the Civil Rights Commission should deal, with a greater sense of reality, with a number of questions. What is the minority pool of skills and talents? How can it be increased? What is the real extent and character of racial and group discrimination—subtle, unconscious, concealed, what you will, but *discrimination*? If this isn't the problem, what is? What is the trade-off between efficiency and increase in minority employment, if any—not in public relations terms, where we know there is never a trade-off, but in reality? What is some reasonable level of investment by government? Where do the benefits of an investment in civil rights enforcement begin to fall off? They should also consider, from the point of view of gaining the support of the highest levels of government, whether the news in this report might not have been: "Government Doubles Civil Rights Enforcement Effort."

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Which of the poor shall live in public housing?

ROGER STARR

NEW YORK CITY's public housing projects—which many people claim they can identify at sight, but which they often confuse with partially subsidized "middle-income" cooperatives and rental complexes, and sometimes even with self-styled "luxury" developments—contain about 155,000 families. No one knows how many people this amounts to, but a fair guess puts the number at 600,000. This makes the publicly-housed population of New York City greater than the total population of any other city in the state.

A single trait distinguishes the public housing tenants, however; practically all of them are poor. This does not mean that all of the poor people in New York City live in public housing. There simply isn't that much public housing. The great majority of the city's poor continue to live in old, privately-owned structures. One of the critical questions for public housing management in the city thus becomes: *which of the poor shall live in public housing?*

At this writing, the New York City Housing Authority has a waiting list exceeding 100,000 names. Thanks to such persistent demand, the Housing Authority has some leeway in choosing its tenants. That freedom, however, has been steadily dwindling under pressure from local and national politics, and more recently from the federal judiciary which is insisting that such decision-making be circumscribed by "due process." There is reason to believe that restricting the freedom of the Authority in choosing its tenants may threaten the very existence of its projects.

ANYONE who looks at a public housing project is entitled to his own view as to whether it "works" or not. Eschewing all complex value judgments, let us agree that New York City's housing projects "work" by the simplest of all possible criteria: more people want to get into them than are willing to move out of them. This is notably *not* the case in St. Louis, Jersey City, Chicago, and Washington, D.C., as well as a number of other cities, where vacancies have occurred on a large scale and where some public housing projects have actually been abandoned and padlocked.

Why does public housing work in New York City? Is New York's stock of low-rent private housing worse than in other comparable

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cities? Not demonstrably. Is its public housing architecturally superior? Few architectural critics would accept that proposition. Is the spirit of the place more sympathetic to public ownership of home and hearth? Surely not in the home-owning sections of Queens, Brooklyn, and the Bronx. A more general explanation was suggested in *The Public Interest* two years ago by George Sternlieb, who observed that New York public housing has historically provided "a major source of housing for *the working class.*" In other words, New York's public housing is acceptable to the *working poor* while in other cities public housing has become the home primarily of the *non-working, dependent poor.*

In a recently revised edition of Supplementary Paper #26 of the Committee for Economic Development, "Who Are the Urban Poor?" Anthony Downs divides all households living in poverty in the metropolitan areas into five categories. He finds that *about one-third of the individual persons who are members of poverty households belong to male-headed households in which the head of the household is working*—but not earning enough to bring the household out of poverty. To this group, one could add a second: the elderly, who constitute some 18 per cent of the poor in the central cities, and most of whom were once part of the working force. In addition, a significant fraction of the 10 per cent of the poor in metropolitan areas who are either in households headed by disabled or unemployed males should also be thought of as "working class families."

These three categories can be contrasted with what might be called "the dependent poor." This latter category is mainly composed of the female-headed households; such households contain approximately 40 per cent of the individuals living in poverty in the metropolitan area in 1968, according to Downs. It would be clearly unfair to assume that *all* female-headed households lack a working-class ethos and pattern of behavior; Downs' own statistics indicate that 15 per cent of the female household heads work full time, while another 25 per cent work part time. It is nevertheless clear, conversely, that 60 per cent of the female household heads do not work at all, and presumably, are supported by the Aid to Families with Dependent Children program. Downs tells us that a 1966 survey of the mothers receiving help under this program indicated that, even if they were freed of the responsibility of their children, 70 per cent of the mothers involved would be unable to earn more money by working than they received as welfare payments: their low skills and motivation marked them as being outside the working class.

The difference between the two groups—the working poor and the dependent poor—is not merely economic: the difference finds expression in a whole set of attitudes toward work and life, and in different patterns of behavior. The distinction between the working poor and the non-working poor may escape the middle-class observer, and most especially it seems to escape the observer bent on social reform. But it is clear enough to all members of the working class, and to the poor generally. It is the fatherless households that

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cause the most vandalism, are responsible for the greatest amount of crime, both on the streets and inside the housing projects.

I must admit that I used to inveigh against the Housing Authority for its reluctance to admit female-headed households into the projects unless it had reason to believe that a specific household was relatively stable. My mind was changed, not by any statistics from the Authority, but rather by the complaints of the tenants themselves at the way their housing project was being disfigured by the activities of alcoholics, junkies, and young delinquents—mostly members of AFDC families. It became clear to me after a while that only the safe middle class can afford to ignore the distinction which the working poor do draw, between themselves and their poor, non-working-class neighbors.

The New York City Housing Authority, catering to only a fraction of the poor has relied on two devices for keeping its non-working class population within limits that would be acceptable to the working-class population of the housing projects. The devices are simple enough, if one assumes that the public housing program will not be big enough to accommodate all poor families. First, the Authority tries to keep out those families whose past records indicate the probability that they will be troublesome to their neighbors and a threat to the physical maintenance of the buildings. Second, the Authority has, over the years, refused to renew the month-to-month tenancy of unruly and destructive tenants who had —to the satisfaction of the Authority's own officials—given evidence of an unwillingness or an inability to live peaceably with their neighbors and in accordance with the rules of the Authority. The possibility of eviction therefore becomes vital to the successful operation of the projects.

Approximately ten years ago—in 1960—the New York City Housing Authority, which had two years earlier been reorganized from a part-time voluntary authority to a three-man, full-time, paid board, took steps to regularize its lease terminations. The Tenant Review Board, which had been established in 1953, was enlarged to include representatives of various branches of the Authority. If a project manager decided that one of his tenants constituted a menace to his neighbors, the tenant in question was called into the manager's office for a conference. If the conference failed to convince the manager that the tenant would or could mend his ways, the tenant would be given notice of the intention of the Authority to terminate his tenancy. The notice described the reasons for the termination, and notified the tenant of his right to appear, with counsel, before the Tenant Review Board to contest the intention of the Authority to evict him, and to offer whatever exculpatory evidence of statements he might wish to plead.

If the decision of the Tenant Review Board went against the tenant, the Authority went into the Civil Court to obtain a summary warrant of dispossess in an action to recover the apartment. If the Authority were a private landlord, there could be no defense against

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such an action in any court, except under the terms of special legislation like New York City's rent control law from which the Housing Authority is concededly exempt. But because the Authority is, obviously, not a private landlord but a government agency, the tenant can institute proceedings in the Supreme Court of the State of New York to require a judge of the court to determine whether the Authority had acted capriciously or arbitrarily in terminating a tenancy. A series of decisions in New York consistently upheld the New York Housing Authority's procedures as being neither capricious nor arbitrary.

So matters stood in New York City until 1968. Meanwhile, the rest of the country, in which evictions were far more summarily made, sought to catch up with the New York's liberal and humane procedures. In 1967, the Department of Housing and Urban Development issued a circular to the Local Housing Authorities which, like the New York Authority, own and operate housing projects for low-income families built with federal financial support. The circular, dated February 7, 1967, directed the Authorities to tell a tenant, "in a private conference or other appropriate manner, the reasons for the eviction, and (give him) an opportunity to make such reply or explanation as he may wish." The New York City Housing Authority's procedures—including the Tenant Review Board, the statement of the intent to dispossess, and the right of representation by counsel—clearly surpassed the requirement of HUD.

But by 1968 a new issue had been raised in New York City by three teams of lawyers, each representing a different agency funded, at least in part, by the Office of Economic Opportunity. These lawyers sought to challenge the eviction procedures of the Authority on the grounds that they contravened "due process" of law which, under the Fourteenth Amendment, must be afforded any person if he is legally to be deprived of property. This challenge depended on the definition of the right of tenants to occupy apartments in publicly-owned housing projects as a form of "property." Because the issue rested on constitutional grounds, it was brought on in the Federal Court. On October 31, 1968, District Judge Sylvester Ryan of the Southern District of New York dismissed the complaints in all three cases *(Escalera, Rolle,* and *Humphrey et. al. v. New York City Housing Authority).* Judge Ryan said in his opinion: "the act of termination of the tenancy is the final step in a sequence of procedural steps taken with the fullest regard for the tenant's right and those of the other tenants."

That would probably have ended the matter, except for another case which, by chance, also arose in New York City, and also involved a constitutional challenge to an administrative decision, on the ground that property had been taken by an arm of the state without due process. This case—*Goldberg v. Kelly*—was decided by the District Court in favor of the petitioner, Kelly, and against the public official, Jack R. Goldberg, Commissioner of Social Services (read Welfare Department) of the City of New York. The facts were hardly in dispute. Commissioner Goldberg decided that Kelly, who

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was on welfare, was not in fact entitled to receive the benefits he was being paid; Goldberg, under the regulations then in force, immediately and without notice cancelled Kelly's welfare payments. While the case was making its way through the courts, the Department of Social Services amended its procedures to include a requirement that seven-day notice of an intention to terminate benefits must be given to the welfare client. Under the new procedure, welfare benefits could not be cut off until the client had been given an opportunity to submit a written protest to an official of higher rank than the one who made the decision to terminate his benefits. The new regulation continued, however, to provide that this official may terminate the benefits, and that only *after* the benefits are terminated may the former beneficiary demand a so-called "fair hearing" at which he might present evidence orally and cross-examine adverse witnesses.

The District Court ruled that the post-termination hearing was not an adequate substitute for a pre-termination hearing at which the beneficiary could present evidence and cross-examine the witnesses opposed to him. The United States Supreme Court, in an opinion written by Justice Brennan, supported (though not unanimously) the District Court's decision. Justice Brennan quoted favorably an excerpt from the lower courts' decision: "While post-termination review is relevant, there is one overpowering fact which controls here. By hypothesis, a welfare recipient is destitute, without funds or assets . . . suffice it to say that to cut off a welfare recipient in the face of 'brutal need' without a prior hearing *of some sort* [emphasis mine —*R.S.*] is unconscionable, unless overwhelming considerations justify it." Justice Brennan then continued to announce the Supreme Court's support of the District Court's ruling. He stated very precisely where the constitutional question lies in the view of the court's majority: "The city's procedures presently do not permit recipients to appear personally with or without counsel before the official who finally determines continued eligibility. Thus a recipient is not permitted to present evidence to that official orally, or to confront or cross-examine adverse witnesses. These omissions are fatal to the constitutional adequacy of the procedures."

Justice Hugo Black, in an interesting opinion, dissented from the majority of the court. He was joined by Chief Justice Burger and Justice Potter Stewart. Justice Black said:

> I would have little, if any, objection to the majority's decision in this case if it were written as the report of the House Committee on Education and Welfare, but as an opinion ostensibly resting on the language of the Constitution I find it woefully deficient. Once the verbiage is pared away it is obvious that this Court today adopts the view of the District Court that to cut off a welfare recipient in the face of . . . "brutal need without a prior hearing of some sort is unconscionable," and therefore, says the Court, unconstitutional . . . Today's balancing act requires a "pretermination evidentiary hearing" yet there is nothing that indicates what tomorrow's balance will be . . . While today's decision requires only an administrative, evidentiary hearing, the inevitable logic of the approach taken will lead to constitutionally imposed, time-con-

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> suming delays of a full adversary process of administrative and judicial review. In the next case the welfare recipients are bound to argue that cutting off benefits before judicial review of the agency's decision is also a denial of due process. Since, by hypothesis, termination of aid at that point may "still deprive an *eligible* recipient of the very means by which to live while he waits" . . . I would be surprised if the weighing process did not compel the conclusion that termination without judicial review would be unconscionable . . .

In his prediction that the rule established in this welfare case—*Goldberg v. Kelly*—would be broadened, Justice Black's prophetic gift was confirmed. *Goldberg v. Kelly* was decided by the Supreme Court on March 23, 1970. On April 29, 1970, the Federal Court of Appeals reversed Judge Ryan's decision in the several housing cases that he had tried more than a year earlier, applying to them the precedent of *Goldberg v. Kelly*. The Federal Court indicated that unless the tenant facing eviction could be granted an evidentiary hearing at which he would have an opportunity to confront the opposing witnesses, he could not constitutionally be evicted from a public housing apartment.

THERE are a number of ironies in this decision. In the first place, if the Housing Authority were a private landlord, there would be no question whatever of its power to terminate a tenancy on due notice at the end of any 30 day lease period. Secondly, the *Goldberg v. Kelly* case was decided explicitly on the grounds that the beneficiary had no means of support other than his welfare benefits: the lack of alternative income describes his 'brutal need' of welfare benefits. Yet the need to remain in public housing in the United States cannot be equated with the need for welfare support, because public housing constitutes only a small fraction of the total housing supply in the city of New York; thousands, in fact hundreds of thousands of families in economic and social conditions identical with those of the public-housing tenants live in private accommodations. If the Congress of the United States saw fit to provide the funds with which to build all the housing (or even a very substantial part of the housing) available for people of low income, permission to reside in a publicly-owned project would indeed have the same "brutal" quality as the need for welfare sustenance. But the Congress hasn't, nor can any court appropriate the needed funds. Third, the housing cases involve a party at interest other than the two parties involved in the welfare cases: that party is made up of the other tenants in the project from which the Authority seeks to evict the litigating tenants. Thus, in balancing the equities, the Court merely decided that the suffering of the cut-off welfare client would be worse than that of the government forced to spend a little more money than properly it should. But who measures the suffering of the other tenants in the project as a result of the misbehavior of a tenant whose case awaits a full "evidentiary" review? Who compensates the parents of a neighboring child who has been introduced to drugs by a released, convicted

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narcotics peddler living in the building? Who pays for the pocketbooks taken by youthful muggers, the children of a family resisting eviction?

The court's answer would, no doubt, be that the Authority should be able to provide its proof by the direct testimony of neighbors under cross examination. But there lies the difficulty. The witnesses are, in fact, neighbors. After presenting their testimony they cannot go home safely anonymous and thus protected against possible retaliation at the hands of the family across the hall, or the friends of that family. Many officials of the New York City Housing Authority believe that the requirement of confrontation will discourage a large majority of witnesses from appearing. They point also to the cost of the procedure; unfortunately, the cost of operating the public housing projects is borne by the tenants themselves, not by the national nor the local government.

At the present moment, attorneys for the Housing Authority and the plaintiffs in the three cases simultaneously reversed by the Federal Court, are seeking to work out a decree setting forth new procedures which will satisfy the court's definition of due process. Whatever the final form of the decree, it will surely provide for direct confrontation between the Authority's witnesses and the tenant against whom they are complaining. The probable effect of this will be to discourage complaints on the part of tenants, and to dampen the interest of housing managers in maintaining a decent quality of life in their projects. It will, ultimately, tend to speed the departure from the projects of the working poor.

THIS would be disagreeable enough a prospect even if the New York City Housing Authority were not simultaneously under political pressure to accept a constantly growing percentage of the non-working poor.

First, the Authority has been forced to abandon its list of 22 eligibility criteria. This was a set of categories of personal history episodes, such as recent conviction of a felony, or a common-law marriage only a few years old. The Authority always maintained that a negative answer to any of the criteria did not necessarily preclude admission to public housing, but only that the family situation had to be evaluated by the social service staff of the Authority. In practice, however, that staff was so busy, and the list of applicants so long, that applicants with a negative history enjoyed only a guarded prognosis as to final admission. Some offenses did, in fact, constitute absolute bans to admission.

Pressure from neighborhood groups, particularly with the help of poverty program workers, ultimately produced a change in the list of criteria. Instead of a long list of specific offenses which required evaluation, the Authority set forth general and rather broad grounds on which it could reject a prospective candidate for admission as a tenant. The more general criteria could have been used to cover precisely the same list of behavior traits that had been set forth explicitly in the now-banned list. The change would have had little significance

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—had it not been for the more important fact that the Authority, since the development of the poverty program, has been under a new set of pressures to accept tenants from public improvement sites, and from families on welfare.

These pressures have come about as the result of the growing abandonment of private buildings in New York City—a cultural and economic phenomenon which has made the relocation of families from public improvement sites much more difficult. The pressures have come also from the stirrings of a taste for "community control." The New York City Housing Authority is by definition a Bureaucratic Monster, unresponsive to the Wishes of the People. Perhaps even more important, it has a habitation in which sit-ins can be staged (unlike most of the private landlords who own buildings in the worst sections of the city). Furthermore it offers a target to people who are not actually living in it, and one of the most obvious motivations for attacking it is its failure to admit people whom the local group can readily believe are the victims of prejudice. This popular pressure is added to the governmental pressure for taking in site tenants to make way for public improvements and for quieting neighborhood protests rather than get the name of the agency into the newspapers. It is scarcely astonishing that the Housing Authority has stopped looking too hard at its applicants.

In addition to these reasons, there is one other which is peculiar to New York City. Because the city has to pay only 27 per cent of the rent bill for welfare eligibles—the remainder coming from federal and state governments—the city Department of Social Services has been willing to pay higher rents in public housing for welfare families than other families pay in identical apartments. The surcharge paid by the city to the Housing Authority runs as high as 60 per cent. At a time when the Authority is running badly in the red, welfare tenants provide it with some financial relief.

THE results of these pressures emerge in the New York City Housing Authority statistics. Ten years ago, households receiving public assistance constituted about 16 per cent of the public housing tenancy in New York City. The present public assistance level is over 26 per cent. Current admissions are 56 per cent welfare families—about half of them broken families.

None of this means that every welfare family suffers from the kinds of psychological problems that make it a menace to its neighbors. Many welfare families consist of reasonably stable working people victimized by economic events or by personal tragedies over which they have no control. Yet George Sternlieb's study of New York's housing indicates that, for whatever reason, the only variable consistently associated with substandard housing was the presence of welfare families in the building. The Chairman of the Housing Authority himself has noted the growth in crime rates and vandalism in the projects, and the voluntary move-outs by non-welfare families as the percentage of welfare tenants has risen. He has asked the Human Resources Administration to design "supportive social programs" that

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might help to minimize the problems associated with the rise in the welfare family load; ironically, on the very day of a meeting held to explore these possibilities, the Community Service Society—New York's oldest and largest casework agency—announced that it was phasing itself out of the casework business. Individual family counseling doesn't seem to be effective. And no one has any idea what might be effective.

If the trend to welfare tenancy continues, and the working families stay out of New York City Public Housing, there will be a consequent deterioration of the projects. There will also be, as a further consequence, a growing unwillingness of the federal government to build more low-cost housing. And the major impetus to this disaster will have come from those who have dedicated their lives ostensibly to helping "the poor." In effect, this too often means that they are helping one group of poor at the immediate cost of another group; generally, the disorganized, non-working poor will be favored because their afflictions seem greater, and their dependence on public sources makes it easier to do something about their condition. The net result is that destructive behavior is encouraged and exculpated at the expense of the law-abiding poor. It is as though we have, in the interest of justice, provided a system for destroying the incentives to, and the rewards for socially normal behavior. Regrettably words like "socially normal" have come under general scorn. To the committed reformers, they smack of middle-class standards and bureaucratic inhumanity. But their meaning is perfectly apparent—and very welcome—to the tenants in public housing who wonder why they have to bar their doors at night and why a feeling of fear that is coming close to terror is growing in the projects.

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Jobs and the Negro family: a reappraisal

EDWIN HARWOOD & CLAIRE C. HODGE

LOUISE MERIWETHER'S recent novel, *Daddy Was a Number Runner,* deals with an adolescent Negro girl in Harlem at the depth of the Depression. Although the young heroine manages to fend off a variety of local predators—mostly whites who make sexual advances —she proves powerless to prevent the disintegration of her family, a process that becomes the dramatic anchor in the book's plot. When her father stumbles hard against New York's job-scarce labor market, her mother starts work as a domestic for a suburban housewife, at first for a few half-days a week, but, towards the end of the novel, on almost a full-time basis. She knows it wounds Dad's pride, but the children must eat. What little Dad does manage to earn, by running numbers slips for the racketeers, he squanders on bets. The conclusion is foregone. Bitter at his wife's taking relief and going to work as a domestic, he fades from the home and becomes "a street-corner man."

None will deny that tragedies of this kind occurred. None will deny that economic recessions have posed serious problems for Negro city dwellers all along. Yet Meriwether's tale of woe relies heavily on a prevalent—and largely erroneous—stereotype of the Negro's economic condition. This is to the effect that, relative to their menfolk, Negro women have enjoyed an advantage in the urban labor market, and that in this their situation has differed sharply from that of working-class whites. Recent fantasies about "internal colonialism" have sharpened this stereotype to the point where it is sometimes said that the black man has been kept down in order to keep him in line, and that black women have been allowed a freer economic adjustment as a part of this same strategy. These and other such notions have helped fuel the animosities of black militants during the past decade. What better justification could there be for the rage of angry young men if, as Richard Rubenstein claims in his thinly-veiled apology for black violence, *Rebels in Eden,* "young [Negro] men have been degraded by this lack of control over their lives—by their inability to get or keep jobs and the need to send their women out to clean Goldberg's floor."

This stereotype is so familiar, and so widely-accepted, that it is hard to believe it could be false. Yet false is what available evidence shows it to be. Today, even in the poorest urban neighborhoods,

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Negro men enjoy a clear economic superiority over Negro women, as the findings of the United States Bureau of Labor Statistics' 1968-9 Urban Employment Survey demonstrated. Moreover, and more surprising, all the evidence we have for past periods offers no significant support for the assumption that Negro women ever were advantaged in the search for jobs.

SINCE 1890, when separate tabulations for whites and Negroes first became available, every decennial census has revealed Negro men to have enjoyed a markedly greater diversification of jobs than Negro women. In the urban or nonagricultural labor force, this difference is particularly striking. While Negro men could be found in substantial numbers in jobs in every major industry, Negro women were concentrated in just a handful of the several hundred occupational classifications. As late as 1930, of 1.3 million Negro women in nonagricultural jobs, over one million (or roughly 85 per cent) were in domestic and personal service occupations. Over half were "laundresses not in laundries" and servants in private households. Of the Negro men outside agriculture, by contrast, less than 25 per cent (425,000 of over 2 million) were to be found in the domestic and personal service classification. When, after studying Harlem's working population at the turn of the century, George Edmund Haynes concluded that Negroes would, when given the opportunity, expand their job horizons, he could only have been referring to Negro men. For his statistics showed that over half of the men had moved into jobs in firms and businesses, whereas 90 per cent of all Negro female workers in his canvass were still confined to domestic and personal service jobs.

Taking economic dominance in its most literal sense, we might ask who held the supervisory and managerial jobs available to Negro workers then. Men did. With the exception of restaurants and boarding and lodging houses, Negro females in supervisory positions are rarely to be found at all in 1930. Second, and most contrary to popular belief, Negro men outnumbered women by heavy margins in white-collar clerical occupations (as did white men in relation to white women a generation ago). In 1930, Negro men in clerical occupations numbered almost 30,000 compared with 11,000 Negro women. In the single category, "Clerks" (except "clerks" in stores) the census located over 20,000 Negro males but only 5,000 Negro females in that year. In sum, *the historical pattern of occupational and earnings differences between the sexes reveals a striking similarity between whites and blacks, and not the reversal of roles or, as one writer phrased it, the "unnatural superiority" of women* that so many scholars have allowed themselves to believe without a careful review of the facts.

When it is argued that higher proportions of Negro women than men hold white-collar jobs today, it is forgotten that the same holds true of female whites in relation to men—simply because our economy employs more cashiers, "girl fridays," and telephone operators than it does lawyers, physicians, and corporation executives. Women

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moved into these more numerous white-collar occupations as men took better-paying jobs in other sectors of the economy, including blue-collar jobs. It is *not* true, as is often assumed, that female white-collar workers, black or white, earn more than male blue-collar workers. In 1969, annual earnings for Negro men in white-collar, blue-collar, and service (excluding private household) occupations were higher on average than earnings for Negro women in clerical and sales jobs. In the top bracket of the earnings scale, Negro female professional workers rank third, following Negro male professionals and managerial workers. However, these women, who are predominantly elementary and secondary school teachers, nurses, or medical and health technicians, are only 10 per cent of all employed Negro women; they earn on average a mere $17 more per year than Negro male craftsmen and foremen. Twice as many Negro women are still to be found in the lowest paying of all job classifications, private household work.

Thus, the facts simply do not support the notion that the Negro man had a rougher go in the urban labor market than the Negro woman. On the contrary, his economic problems shrivel by comparison with hers. If she had to work, she found a limited range of jobs to choose from, most of them in private households, which paid the lowest wages. In New York City 70 years ago, more than half (53 per cent) of the Negro women in service work earned less than five dollars a week, whereas only 28 per cent of Negro male service workers had earnings that low. Elevator operator, butler, fireman, houseman, even "usefulman," paid better than "general housework, chambermaid, and laundress."

The argument for the Negro female's advantaged labor market position fails precisely where one might expect it to be strongest—in times of economic depression. Consider the facts turned up by the Division of Social Research of the Works Progress Administration (WPA). A thorough study of urban workers on relief in 79 major cities in the early 1930's was published in the two-volume study, *Urban Workers on Relief*. We learn:

1) The single occupational group that had the heaviest representation among relief applicants was "servants." Women, and particularly Negro women, were disproportionately represented in the unskilled service jobs included in that category. Among Negro women, a large majority were general houseworkers and laundresses.

2) Negro women on relief were twice as apt to be employed at the time of the study as Negro men on relief—but they enjoyed no special economic advantage because of that fact. The WPA researchers point out that the women earned less than men (17 cents an hour against the male's 25 cents an hour). And because she worked fewer than half the median hours her working male counterpart obtained in a week (17 hours for her; 35 for him), her median *weekly* earnings ($2.80) were less than half of what he earned ($6.30).

To argue that Negro women had the edge in the Depression labor market simply because at any given time she was more apt to get some job in unskilled service work is to rest the argument for her

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superiority on a shallow and incomplete statistic. In any case white men faced the same situation in relation to white females. Negro men may very well have been unemployed for longer stretches, but *when they did get jobs they worked more hours per week and earned substantially more money, such that in the aggregate they may very well have been doing much better by far than Negro women.* What proponents of the "dominant-female" view have never established is crucial: Did the female domestic work more days during the course of a given *year* in and out of depressions? The fact that in a given week she could often locate some job does not prove that she had more work over a longer span. Did she receive anywhere near the annual earnings received by a male laborer? According to Charles S. Johnson, research director for the National Urban League, women domestics in Waterbury, Connecticut were averaging three dollars a day in 1923 in work "that could rarely be secured for more than four days a week." Wages for Negro men averaged $4.38 per day; men in skilled manual jobs earned as much as five dollars and six dollars per day.

3) What the WPA researchers chose to emphasize in their study is even more significant in view of the strenuous attempt scholars have made to stress the differences in the adjustments of blacks and whites to a recession. The WPA study emphasized that *both* Negro and white males were unemployed for longer stretches than their female counterparts because *both* white and Negro men had a more diverse occupational distribution. This meant that, though they enjoyed the higher earnings that jobs in industrial and commercial firms paid in good times, they would suffer longer stretches of unemployment during a recession. It is reasonable to think that the casual service employment which women willingly took was not an acceptable alternative to either the white or black male worker, in any case. Reports issued by the United States Employment Service during the Depression years showed that a large proportion of the job placements in household work were for very short periods, often only for a given day, which supports the WPA's finding that most women obtained casual laboring jobs characterized by high turnover. Household workers in Wisconsin, for example, were so poorly paid that the state set a minimum weekly wage of $6 for a 50 hour week if board alone was furnished. We have no comparable data on the conditions of employment and pay in service jobs available to men, but we can be reasonably sure that the male janitor or porter, for example, would have been guaranteed a job of longer duration at higher pay.

The irony here is that the facts gathered by the WPA research team require something on the order of an about-face in our thinking. If Negro men had made even *further* advances in occupations and earnings, and hence in expectations as well, beyond what they had already achieved, then they would have experienced *longer* stretches of unemployment. They would have been more reluctant to take casual low-paying jobs. *Their problem of finding an acceptable job would have approached in severity that of white males who held the record for unbroken spells of unemployment!*

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CLEARLY, it was because most reform-minded scholars wanted to do the Negro good, not ill, that they were led consistently to emphasize the *differences* between white and black Americans in their performances in the labor market. Only thus could special remedial action urged on the Negro's behalf have a plausible basis. Moreover, the troublesome issue of Negro marital instability had to be explained. If this could be linked to an economic plight not shared by white Americans, then it followed that most scholars would first seek out and then emphasize some critical difference observed in the adjustment of blacks and whites to the labor market.

It is important to keep two facts in mind: First, that an economic explanation was not logically compulsory for understanding family instability. E. Franklin Frazier's early monograph, *The Negro Family in Chicago,* hardly mentions employment handicaps—let alone handicaps peculiar to the Negro—in accounting for the disintegration of families in the slum. If Frazier later changed his mind, it was most probably because others were changing theirs, and his professors at the University of Chicago no longer insisted that the adjustment of Negro migrants—whom Frazier called peasants—fit the same model they had used earlier to explain the adjustment of European peasants who had come to Chicago from Poland and southern Italy. (Then, family disintegration was attributed to the clash between a secular urban and a traditional agrarian ethos.)

Secondly, even granting that the antecedent of an aberrant social pattern might be an aberrant economic pattern, was there one and only one important and critical difference between whites and blacks in their relation to the occupational order? Was it not possible that some other difference had been overlooked that might explain the instability of Negro marriages just as well?

If it is hard to imagine that the working Negro woman could resent her husband, or he her, on the basis of the jobs, wages, and the amount of work she could command in relation to him, then we must turn to another clue in trying to answer the riddle of the urban North's peculiar institution—the matriarchal Negro family. For clearly it was the woman who faced near insurmountable obstacles in getting jobs beyond the level of unskilled domestic work, and this heavy concentration of Negro women in domestic service suggests an intriguing alternative explanation. She had not just a second job, but a job in a second *household,* with a second family. How this competition between obligations to two households could tear at the fabric of her own family's solidarity we can just imagine—not alone in the burden of doing double duty with long hours spent away from her own home, but also in the continual awareness of the differences in living standards, the competition of dual loyalties and possibly of dual affections.

If the status of the employing household mattered to the domestic, how might this have affected her perception of the conditions in her own? Negro women at service in Carlisle, Pennsylvania, a contributor to *Gunton's Magazine* (January, 1896) observed, "will only serve in a Negro family when hard pressed for money, and then for a few

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days only." If, as the writer suggests, the domestic was accustomed to taking home foodstuffs from her employer's table, such considerations of status would make sense. Might it also, along with all the other invidious comparisons to be made, condition her to think less highly of the breadwinner in her own family? Or, taking the problem from the other end: Did her husband find her efforts at home less than satisfactory because she had to do so much for the other household? It is hard, perhaps impossible, to arrive at clear-cut answers to these questions. We can only hypothesize that if Negro women had had access to a broader range of jobs beyond household work fewer complications would have entered into the picture.

IT is instructive that white female houseworkers, including the many European immigrant women who took domestic jobs, seem to have solved the dual-household problem by staying single for as long as they worked, and then quitting domestic service upon marriage. Doubtless the strong sentiments of Catholicism about the requirements of normal family life insured this outcome in the case of the Irish, for example, who had a tradition of delaying marriage until economic conditions permitted. The available evidence on this point is sketchy, but a 1925 study of working women in four cities revealed that domestics in Passaic, New Jersey, who were overwhelmingly native or foreign-born whites, were much more apt to be single at the time of the canvass than were domestics in Jacksonville, Florida, who were overwhelmingly black. Whereas almost half (45 per cent) of Jacksonville domestics were either married, or married but separated, only a quarter (24 per cent) of Passaic's domestics were thus classified. Mary V. Robinson's report to the Women's Bureau in the United States Department of Labor a year earlier established two facts from a survey of applicants for domestic work in Baltimore: Negro women were clearly reluctant to take jobs that required living in. Only 36 per cent of the black women stated a willingness to do so, whereas 80 per cent of white females were prepared to live in. Mary Robinson related this fact to another—namely, the significantly higher proportion of Negro women compared with white females who remained in domestic service after marriage—and she came to a judgment about the difficulties of carrying the work of two households that should not surprise us:

> [Matrimony] usually means added responsibilities which tend to demand more time than many women in domestic service are able to find for such important private matters, especially if they are compelled to live in the home of employers or to have the usual hours of labor expected in domestic service. When women live in the homes of their employers, they rarely have opportunity to go to their own homes more than once or twice a week, and can have little private life with their families. . . .

At the turn of the century, a researcher assigned to canvass Sandy Springs, Maryland, reported to the United States Department of Labor that he found a tragic division between the Negro woman's "real family" and her "economic family" (the employing household) that

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her heavy concentration in domestic work had caused. Noting the heavy turnover of domestic workers and how better wages in the bigger cities north lured girls away, he concluded that "the future of the Negro race would seem to be more in danger from a certain general looseness of the younger generations of women than from lawlessness of the younger generations of men."

Certainly more research is needed to settle this historical issue. Again returning to the 1930 Census we find industrial cities in which a very low proportion of Negro women are holding jobs—Flint, Gary and Youngstown, for example. Perhaps domestic work was harder to find in small industrial cities than in the large northern cities having a wealthier citizenry. Were marriages correspondingly more stable in cities where, regardless of the women's interest in or need of work, jobs for domestics simply did not exist in the number needed? We do not know.

Accepting this alternative view of the Negro family problem does not require that we refuse to consider the Negro male's hardships, or their effect on his role in the family. Certainly if his rents had been lower and his wages higher, fewer of his women would have found it necessary to seek out domestic jobs. And it is quite proper to think that family stress would be closely associated with cyclical business fluctuations that affected the man's employment, as Daniel P. Moynihan showed in his 1965 report, *The Negro Family: The Case for National Action*. But we still need to know why Negroes, of all groups, were disproportionately affected in their family life by bad times that in their season hit *every* working-class group, and hit much harder in times past than now. This requires looking for that combination of unique historical experiences peculiar to many Negro Americans. The "peculiar institution" of the south, slavery, was very probably the most important factor in the emergence of the peculiar institution of the urban north, the female-headed family. But if an economic cause is to be sought in addition, we suggest that it may have been the Negro woman's handicaps in the labor market, not the man's.

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CURRENT READING

Academic Freedom Today

Recently, in the face of men who believed that X should not be promoted because of his strongly held and activist political position, I argued *in abstracto* the injustice of my voting against the tenuring or promotion of Y simply because he carried on chemical and biological warfare research, provided that his research was good, that he was a fine teacher, and that the university supported in principle work on CBW. On the other hand, I would have no compunctions about bombing Y's CBW lab as long as no one got hurt.

—Wayne O'Neil, Professor of Humanities
at MIT, in *College English*, December, 1970

I Got My Job Through The New York Times

MARXIST AVAILABLE
Fall '71 as Assoc. Prof. of English at college or university in NYC area. Ivy League PhD. 10 years experience, never fired.

—Classified ad in *The New York Times* Sunday, February 15, 1971

Two Per Cent of Our Citizens Are Missing

A State Senator charged yesterday that inefficiency by the court system and the Police Department was responsible for the continued freedom of thousands of criminal defendants who have jumped bail.

Senator Roy M. Goodman, Republican-Liberal of Manhattan, said that about 177,000 people, or 2 per cent of the city's population, "have jumped bail and cannot be located."

"The record-keeping is so bad that if a man is rearrested for a new crime there is no way of knowing that he jumped bail in another case."

—*The New York Times*, December 25, 1970

The Cargo Cults

Anthropologists have known for years of the "Cargo Cults." These are religious movements, largely in the Melanesian area, where the

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natives have been stunned to see goods come in from the heavens—from airplanes—and assume therefore that Utopia is simply pie from the sky. The cargo cults continue to spread, as is reported by Robert Foster *(New Society London,* January 7, 1971).

In Papua-New Guinea the cargo cult occurs in widely separated areas among people who have no physical communication with each other. Despite its varying manifestations it has one basic underlying principle: that the intruding white man has prevented the material betterment of the people.

The people firmly believe that western goods and knowledge originate in the world of gods and spirits. This, despite the fact that many of them are familiar with the white man's schools and factories. They are annoyed with the European who withholds from them the secret of how to obtain the cargo.

The almost universal belief in ritual sorcery is the base on which this belief is built. The people watch huge quantities of material arrive from over the horizon in ships and aircraft. No work appears to be done for it. They see no money changing hands, no gift exchange is made.

The goods are shared among the Europeans with only a trickle seeping down to the people themselves. The processes of industry and commerce are beyond the comprehension of the villager. His faith in his own cosmic order is as yet unshaken. He thinks back to his ancestors, to fertility ritual, to the old earth magic. Everything inexplicable can be explained as an act of sorcery. The villager desires the goods—yet can see no means of obtaining them. Inevitably a prophet arises, preaching a magical solution to the problem.

The cultists maintain that their ancestors made the goods and that they were somehow intercepted by the white man who stole them. Some cults have overtones of debased Christianity, others follow entirely the old pagan ritual of the area. They all believe that if the correct ritual is observed, then the cargo will automatically appear. If one ritual fails, it is obviously the wrong one and the cultists will try and try till they succeed.

Their belief and commitment in the observation of these rituals is total. Villagers will sometimes burn their homes and all their possessions, kill all their pigs and chickens and burn all their crops. Then, clad in their finery, they will sit down and wait there patiently for the cargo to come. Sometimes they will build airstrips in the middle of dense bush, and erect elaborate models of radio stations, using saplings as radio masts and thin jungle creeper for telegraph wires. Large huts may be built nearby to protect the cargo from the rain when it arrives. The people will observe their particular ritual for days on end and it is only government aid and intervention which prevents them suffering extreme hardship. . . .

Perhaps the most bizarre outbreak to occur since the war was the "Johnson" cult, which began in New Hanover in 1964. The election for the House of Assembly was on, and almost all of the 8,000 people refused to vote for anyone else besides President Lyndon B. Johnson. New Hanover has been connected with the United States navy for some

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time and the New Hanoverians were obviously confused by the sight of the American Negroes, who, on the face of it, had full access to the cargo and equal status with the white men. The New Hanoverians believed that if President Johnson governed them, then they would enjoy the same status and benefits. They collected thousands of dollars and attempted to buy the American President. Riots occurred when Johnson did not materialise; the people refused to pay their taxes; and troops had to be brought in to restore order. . . .

Take Back That Mink?

Mrs. Roy regularly wears her new mink to "dress up functions"—like the recent fund-raising luncheon held by her florist club at the Goodwill Baptist Church in the Bronx, a borough of New York City. Most of the time, of course, Mrs. Roy doesn't wear her $676 coat. That's because most of the time she's busy keeping house for her husband, who sells tokens in the New York City subway stations.

Mink men say it all began with the recession and tight money, which, together, tumbled mink prices to their lowest level in 40 years. That glutted the market with low-priced pelts and made mink the darling of department stores and other moderately-priced salons. Today, in New York, you can buy a mink for as little as $133. Five years ago, the cheapest stole would have run you $600. . . .

. . . The sight of all those ladies like Mary Roy out in their minks has caused higher-income status seekers to search out mink that doesn't look like mink.

—*Wall Street Journal*, March 11, 1971

The Normal Split Personality

In the burgeoning work on the brain, one of the pioneers is Roger W. Sperry of Cal Tech, who was the first person to split the brain into its hemispheres and show the role of each in behavior. One of the things Sperry found is related by Lee Edson in the November-December, 1970 issue of *Think*, the IBM magazine:

Sperry's first chance to investigate brain splitting occurred in the case of a World War II paratrooper who underwent a split-brain operation to control epileptic seizures that resulted from a brain injury suffered in a fall. Sperry found that while the paratrooper was normal in nearly all respects after operation, he couldn't use both hands together to work a jigsaw puzzle. Even stranger still, one hand often did the opposite of the other hand; the paratrooper would use his right hand to button a shirt only to find that his left hand was unbuttoning it. The right and left halves of the usual field were perceived and remembered separately. Even smell was found to be divided; an odor identified through one nostril could not be recognized or remembered a moment later when smelled through the other nostril. It was as if the split-brain person had two minds, with each cut off from any direct awareness of what the other mind was thinking. In the normal human brain each

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cerebral hemisphere, Sperry says, has its own domain of consciousness and its own chain of memories, and each tends to have its own specialty and to handle problems with its own built-in strategy. Thus the left or major hemisphere of right-handed persons tends to specialize in language and operates in logical computer-like fashion, while the right or minor hemisphere is largely mute and tends to put together bits and pieces into whole images but cannot verbalize what it sees.

Abortion: The "Establishment" vs. Popular Opinion

The conventional wisdom of American politics includes a scenario of reform. Social change occasions new needs and therefore new demands on public policy; the public authorities, dominated by an opinionated and self-interested establishment, ignore these demands; public outcry against such injustice and indifference then begins to grow until, finally, the establishment capitulates and the reform is enacted. Thus, when abortion reform suddenly became topic "A" a few years ago, and legislatures quickly began liberalizing the old prohibitions, this dramatic reversal of discussion and policy was, predictably, described as another case of an aroused public opinion triumphing over a dull-witted and slow-moving establishment.

Only one thing is wrong with this explanation: Abortion reform just didn't happen that way, as an article in the February 12, 1971 issue of *Science* by Judith Blake clearly demonstrates. Professor Blake, a demographer at Berkeley, analyzed six nationally-known surveys taken between 1962 and 1969, and what she found stood the conventional wisdom on its head—the establishment, it turned out, was in favor of abortion reform, whereas public opinion has constantly been massively opposed.

The survey questionnaires asked if the respondent would favor or oppose abortion in four different circumstances—where the mother's health is in danger, where the child may be born deformed, where the family cannot afford to support another child, and where the parents merely don't desire another child. Between 90 per cent and 94 per cent approved of abortion to save the mother's health, and between 55 per cent and 78 per cent approved of abortion if the child might be deformed. *But 68 per cent opposed abortion for financial reasons, and 79 per cent opposed it for the purpose of not having an undesired child.* In general, things did move in a "liberal" direction over the decade—in the case of abortion simply to avoid an undesired child, the proportion opposed fell by 12 percentage points. But the fact remains that, in 1969, a very large majority opposed abortions that state laws were beginning to sanction.

These surveys also reveal that, on every question, *women were consistently more opposed to abortion than men;* and that, in the case of abortion where no children are desired, *young women under 30 are more strongly opposed than older women.* The strongest supporters of abortion are young, college educated, non-Catholic *men* in the northeast and far west.

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Clearly, in the case of abortion reform, it is the establishment that has moved more quickly, and more radically, than the public. Whether it has moved in the "right" or "wrong" direction is, of course, a matter of personal opinion. But there can be no doubt that the typical scenario of reform has a large element of myth in it.

The Schooling Gap

College attendance has grown so dramatically in the past 30 years, according to a U.S. Census Bureau study, that about two-thirds of today's college youth have parents who did not attend college themselves. . . .

According to the Census Bureau study, of America's 14- to 24-year-olds, 61 per cent of the white students enrolled in the fall of 1969 were from families whose head had not gone to college. Among Negroes enrolled in college, the study reported that "71 per cent were from families whose head had not attended college, including 50 per cent whose head was not a high school graduate."

The percentage of young persons in the population with four years of college or more has nearly tripled in the past 30 years, going from 5.8 per cent in 1940 to 16.4 per cent in 1970. During the same period, the percentage of persons with four years of high school or more rose from 37.8 per cent to 75.4 per cent.

Just in the past 10 years there have been sizable increases in educational attainment. In 1970, among persons 20 to 24 years old who had completed high school, the census study found that 52 per cent of the men and 42 per cent of the women had completed some college, compared with 42 per cent of the men and 33 per cent of the women of the age group in 1960. . . .

Negro students made up 6.6 per cent of the total college enrollment in the fall of 1969, according to the study, up from 5 per cent in 1964. The number of Negro students enrolled in college increased 110 per cent during that five-year period, the study said, up from 234,000 in 1964 to 492,000 in 1969.

Despite the increased enrollments of Negro students, 18- to 21-year-old white students were still more likely to be in college in 1969 than Negoes, by 38 to 22 per cent. . . .

	ALL RACES		WHITE		NEGRO AND OTHER RACES	
	4 years of high school or more	4 years of college or more	4 years of high school or more	4 years of college or more	4 years of high school or more	4 years of college or more
1970	75.4%	16.4%	77.8%	17.3%	58.4%	10.0%
1969	74.7	16.0	77.0	17.0	57.5	9.1
1968	73.2	14.7	75.3	15.6	57.6	7.9
1967	72.5	14.6	74.8	15.5	55.7	8.3
1964	69.2	12.8	72.1	13.6	48.0	7.0
1960	60.7	11.1	63.7	11.8	38.6	5.4
1950	51.7	7.7	55.2	8.1	23.4	2.8
1940	37.8	5.8	41.2	6.4	12.1	1.6

—*Chronicle of Higher Education,* February 15, 1971

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